

**Report to:** STAR Joint Committee  
**Date:** 9<sup>th</sup> August 2017  
**Report for:** For Information  
**Report of:** Head of Strategic Procurement

## **Report Title**

**Finance Outturn Report 2016-17 & Q1 Finance Outturn Report 2017-18**

## **Summary**

The purpose of this report is to update the STAR Joint Committee on both the STAR final financial position for 2016-17 and the Q1 Finance Outturn Report for 2017-18

## **Recommendations**

The recommendation of this report is that the STAR Joint Committee notes the content of the outturn reports provided

## **Contact person for access to background papers and further information:**

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## **Background**

Financial Impact:	The report discusses the financial position of STAR Procurement at the end of the last financial year and at the end of Q1 of the current financial year
Legal Impact:	None
Human Resources Impact:	None
Asset Management Impact:	None
E-Government Impact:	None
Risk Management Impact:	None
Health and Safety Impact:	None

## **Consultation**

No public consultation required

## **Reasons for Recommendation(s)**

The financial outturn reports confirm that STAR Procurement did not exceed its budget in the last financial year and is not reporting a variance to budget for the current financial year

### **1. Final Position 2016-17**

- 1.1 Appendix 1 Details the final outturn report for STAR for 2016/17.
- 1.2 Key point is that STAR underspent the £1,304k budget by £38k which has been transferred into reserves.
- 1.3 The reserves total is now at £169k.

### **2. Final Position 2017-18 Q1**

- 2.1 Appendix 2 details the outturn report for STAR Q1 for 2017/18.
- 2.2 STAR has no variance to report.

### **3. Recommendations**

- 3.1 It is recommended that the STAR Joint Committee notes the content of the outturn reports provided

## **Report Appendices**

- 1. STAR Revenue Monitoring Outturn Report 16-17
- 2. STAR Revenue Monitoring Report P2

## Appendix 1

### TRAFFORD COUNCIL

**Report to:** STAR Procurement Joint Committee  
**Date:** 7<sup>th</sup> July 2017  
**Report for:** Information  
**Report author:** Elizabeth McKenna, Head of Strategic Procurement, STAR & Peter Carr, Finance Manager

#### STAR Revenue Budget Monitoring Report – 2016/17 Outturn

## 1 Outturn

- 1.1 The approved net expenditure revenue budget for the year is £1,304k.
- 1.2 The 2016/17 outturn (April 16 to March 17) is £1,266k, which is an underspend of £38k compared to the revised budget. This will be transferred back into the STAR reserve to support procurement related activity in 2017/18.
- 1.3 As previously reported, the budget has been realigned to reflect the revised staffing establishment planned for the year. This has increased the staffing budget by £6k, with the transport budget reduced by the same amount to keep the overall budget the same as approved in February 2016.
- 1.4 The STAR earmarked reserve has an accumulated balance of £169k at 31<sup>st</sup> March 2017.

## 2 Summary of Variances for the Year

- 2.1 The main items contributing to the £38k underspend are as follows:
  - **Staffing and Running Costs £11k under budget;** there is an overall net overspend on staffing is £2k. This includes £47k to support income generation (as below) and cover vacant posts and sickness absence. There is a £13k of underspend on general running costs.
  - **Additional external income, £27k;** funding streams are above budgeted expectations following a number of successful bids for chargeable third party work. This has required additional interim staff resources.

**STAR Procurement Service Budget Monitoring**  
**2016/17 Outturn Report**

**Appendix 1**

	Original Full Year Budget £000's	Revised Full Year Budget £000's	2016/17 Forecasted Outturn £000's	Over / (Under) Spend for Year £000's
Employees	1,122	1,128	1,075	(53)
Agency	0	0	47	47
Training	21	21	15	(6)
Staff Advertising	5	5	19	14
<b>TOTAL EMPLOYEE COSTS</b>	<b>1,148</b>	<b>1,154</b>	<b>1,156</b>	<b>2</b>
Premises	2	2	0	(2)
Transport	18	12	2	(10)
Equipment	1	1	0	(1)
Catering	4	4	1	(3)
Office Equipment	3	3	13	10
Consultants/Training Fees	10	10	5	(5)
ICT Costs including telephones	17	17	22	5
Subscriptions	14	14	3	(11)
Other	2	2	6	4
<b>RUNNING COSTS</b>	<b>71</b>	<b>65</b>	<b>52</b>	<b>(13)</b>
<b>SUPPORT SERVICES COSTS</b>	<b>105</b>	<b>105</b>	<b>105</b>	<b>0</b>
<b>TOTAL EXPENDITURE</b>	<b>1,324</b>	<b>1,324</b>	<b>1,313</b>	<b>(11)</b>
External Income	(20)	(20)	(47)	(27)
<b>TOTAL INCOME</b>	<b>(20)</b>	<b>(20)</b>	<b>(47)</b>	<b>(27)</b>
<b>NET EXPENDITURE</b>	<b>1,304</b>	<b>1,304</b>	<b>1,266</b>	<b>(38)</b>

**STAR Reserve 2016/17**

Balance 1st April 2016	131
Forecast Underspend 2016/17	38
<b>Balance 31st March 2017</b>	<b>169</b>

## **Appendix 2**

### **TRAFFORD COUNCIL**

**Report to:** STAR Procurement Joint Committee  
**Date:** 7<sup>th</sup> July 2017  
**Report for:** Information  
**Report author:** Elizabeth McKenna, Head of Strategic Procurement, STAR & Peter Carr, Finance Manager

#### **STAR Revenue Budget Monitoring Report – Period 1 - 2 2017/18**

### **1 Outturn**

- 1.1 The approved net expenditure revenue budget for the year is £1,288k and the forecasted outturn at Period 2 (April to May 2017) is £1,288k, i.e. spend is currently forecast to be as budgeted for the year.
- 1.2 The STAR earmarked reserve has a balance of £169k carried forward from previous years which be utilised to support future procurement related activity. There are currently no commitments against this reserve, and any unused reserve will be carried forward into 2018/19 accordingly.

### **2 Summary of Variances for the Year**

- 2.1 Although there is no overall variance to report at this early stage, there is additional income from NHS that has been carried forward from 2016/17 of £88k. This is expected to be spent in full in 17/18 to deliver the related services to the NHS. A summary of the budget, spend to date and forecasted spend is detailed Appendix 1.

**STAR Procurement Service Budget Monitoring**  
**April 2017 - May 2018 Period 1-2**

**Appendix 1**

	Original Full Year Budget £000's	Revised Full Year Budget £000's	Total Months 1 to 2 £000's	Projection Months 9 to 12 £000's	2017/18 Forecasted Outturn £000's	Over / (Under) Spend for Year £000's
Employees	1,215	1,215	191	1,003	1,194	(21)
Agency	0	0	7	60	67	67
Training	21	21	0	21	21	0
Staff Advertising	5	5	0	3	3	(2)
<b>TOTAL EMPLOYEE COSTS</b>	<b>1,241</b>	<b>1,241</b>	<b>198</b>	<b>1,087</b>	<b>1,285</b>	<b>44</b>
Premises	2	2	0	0	0	(2)
Transport	12	12	2	10	12	0
Equipment	1	1	0	0	0	(1)
Catering	4	4	0	4	4	0
Office Equipment	3	3	0	3	3	0
Consultants/Training Fees	10	10	0	57	57	47
ICT Costs including telephones	17	17	1	16	17	0
Subscriptions	14	14	0	14	14	0
Other	2	2	1	1	2	0
<b>RUNNING COSTS</b>	<b>65</b>	<b>65</b>	<b>4</b>	<b>105</b>	<b>109</b>	<b>44</b>
<b>SUPPORT SERVICES COSTS</b>	<b>105</b>	<b>105</b>	<b>0</b>	<b>105</b>	<b>105</b>	<b>0</b>
<b>TOTAL EXPENDITURE</b>	<b>1,411</b>	<b>1,411</b>	<b>202</b>	<b>1,297</b>	<b>1,499</b>	<b>88</b>
External Income	(123)	(123)	(111)	(100)	(211)	(88)
<b>TOTAL INCOME</b>	<b>(123)</b>	<b>(123)</b>	<b>(111)</b>	<b>(100)</b>	<b>(211)</b>	<b>(88)</b>
<b>NET EXPENDITURE</b>	<b>1,288</b>	<b>1,288</b>	<b>91</b>	<b>1,197</b>	<b>1,288</b>	<b>0</b>

**STAR Reserve 2017/18**

Balance 1st April 2017	169
Forecast Underspend 2017/18	0
<b>Balance 31st March 2018</b>	<b>169</b>