

TRAFFORD COUNCIL

Report to: STAR Procurement Joint Committee
Date: 18th October 2016
Report for: Information
Report author: Sharon Robson, Director of Procurement, STAR & Peter Carr, Finance Manager

STaR Revenue Budget Monitoring Report – Period 1 - 4 2016/17

1 Outturn

- 1.1 The approved net expenditure revenue budget for the year is £1,304k and the forecasted outturn at Period 4 (April to July 2016) is £1,278k. This is a forecast underspend of £(26)k for the financial year.
- 1.2 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.
- 1.3 The STAR earmarked reserve has a balance of £131k carried forward from previous year which will be utilised to support future procurement related activity. It is proposed that the exceptional, one off costs associated with recruiting a new Director of Procurement (est. £13k) will be taken from the reserve figure.

2 Summary of Variances for the Year

- 2.1 The main items contributing to the £(26)k underspend are as follows:
 - **Staffing and Running Costs £69k over budget;** £56k relates to interim staff employed to generate additional income, plus a further £11k on other staff costs required to cover vacant posts and long term sickness absence. There is further £2k of overspend on general running costs
 - **Additional external income, £(95)k;** funding streams are above budgeted expectations following a number of successful bids for chargeable third party work. This required additional interim staff resources (as above).

STAR Procurement Service Budget Monitoring
April 2016 - May 2016 Period 1-4

Appendix 1

	Original Full Year Budget £000's	Revised Full Year Budget £000's	Total Months 1 to 4 £000's	Projection Months 5 to 12 £000's	2016/17 Forecasted Outturn £000's	Over / (Under) Spend for Year £000's
Employees	1,122	1,128	354	785	1,139	11
Agency	0	0	0	56	56	56
Training	21	21	0	21	21	0
Staff Advertising	5	5	0	5	5	0
TOTAL EMPLOYEE COSTS	1,148	1,154	354	867	1,221	67
Premises	2	2	0	2	2	0
Transport	18	12	4	8	12	0
Equipment	1	1	0	1	1	0
Catering	4	4	0	4	4	0
Office Equipment	3	3	1	2	3	0
Consultants/Training Fees	10	10	0	10	10	0
ICT Costs including telephones	17	17	2	15	17	0
Subscriptions	14	14	1	13	14	0
Other	2	2	4	0	4	2
RUNNING COSTS	71	65	12	55	67	2
SUPPORT SERVICES COSTS	105	105	0	105	105	0
TOTAL EXPENDITURE	1,324	1,324	366	1,027	1,393	69
External Income	(20)	(20)	(20)	(95)	(115)	(95)
TOTAL INCOME	(20)	(20)	(20)	(95)	(115)	(95)
NET EXPENDITURE	1,304	1,304	346	932	1,278	(26)

STAR Reserve 2016/17	
Balance 1st April 2016	131
Forecast Underspend 2016/17	26
Balance 31st March 2017	157