

REVISED**MANAGEMENT BOARD****2009/10 ADMINISTRATION ESTIMATE: MID-YEAR FORECAST OUTTURN****Note by the Director of Financial Management**Purpose

This paper updates the Management Board on the results of the Mid-Year Forecast Outturn exercise. The exercise is the main opportunity for the Board to review the allocation of resources for the year, and consider if investment opportunities exist where surplus funds have been identified.

Analysis

3. A summary of the results for the exercise are shown below. Further details are provided in the Appendix.

	Budget	Actuals (April- Sept)	Forecast (Oct-March)	Outturn (April-March)	Variance
Receipts	(9,158)	(4,488)	(4,906)	(9,395)	237
Salaries	88,711	41,926	43,330	85,257	3,455
Other Staff Costs	21,485	1,032	21,736	22,768	(1,283)
Travel & Subsistence	5,786	1,676	3,375	5,050	736
Information	16,724	7,990	8,007	15,997	727
Broadcasting	142	67	77	144	(2)
Communications	7,332	3,441	3,618	7,059	273
Computers	6,460	3,510	3,231	6,741	(281)
Cost of Goods sold	3,500	1,520	1,922	3,442	58
Other Catering					
Supplies	346	165	173	337	8
Office Supplies	2,193	894	1,098	1,991	201
Specialist Advice & Work Commissioned	7,346	2,779	4,370	7,149	197
Grants	3,746	2,772	973	3,746	0
Accommodation	34,720	15,673	16,200	31,873	2,847
Security	22,787	10,733	11,392	22,125	661
Depreciation	18,015	8,202	9,478	17,680	336
Cost of Capital	27,865	0	30,300	30,300	(2,435)
Gross resource	267,158	102,380	159,279	261,658	5,499
Net resource	258,000	97,891	154,372	252,263	5,737
Capital	19,500	5,093	5,876	10,969	8,531
plus 53 Parliament St	0	0	5,340	5,340	(5,340)
	19,500	5,093	11,216	16,309	3,191

4. The forecast resource underspend of £5.7 million is similar to the £5.2 million reported at the same time last year. However, the 2008/09 resource underspend eventually grew to £9.4 million at the year end, and a review of the assumptions adopted in some areas suggests a similar picture could develop for 2009/10.
5. If lower pay settlements arise as expected over the next few years then this could have a significant impact on the pension scheme liabilities and the notional pension contributions scored against the 2009/10 Administration Estimate. Preliminary assumptions (the final figures will not be known until the year end) suggest an adjustment worth around £2 million on pension related costs and £1 million on the cost of capital charge. These additional resource costs have been reflected in the forecast outturn, suggesting a larger forecast outturn if a steady state had prevailed.
6. Major areas of underspend have arisen against staff costs which implies it should be possible to absorb pay awards in future years and run with level baselines. A General Election traditionally creates a period of lower activity on front line House Services and it is not unusual to find underspends on areas such as printing, publications, travel and subsistence. This would add to underspends already identified in the forecast for these areas either this financial year or in 2010/11 depending on when the General Election is held. Another major area of underspend is against the Works programme and on accommodation costs.
7. Capital expenditure shows a forecast underspend of £8.5 million which reduces to £3.2 million after the purchase of 53 Parliament Street.

Conclusion

8. The Board is asked to note the forecast presented. In addition, they may wish to consider potential invest to save opportunities that might practically be pursued in the latter part of the year.
9. They may also wish to reflect on the forecast when considering the Three Year Financial Plan for 2010/11 to 2012/13 which they are being asked to consider alongside this paper.

C Ridley
October 2009

APPENDIX

Speaker

All figures £000s

	Budget	Actuals	Forecast	Outturn	Variance	
Receipts	0	0	0	0	0	
Salaries	438	212	216	428	10	
Other Staff Costs	18	0	13	13	5	
Travel & Subsistence	189	64	91	155	34	
Information	3	3	1	5	(2)	
Broadcasting	0	0	0	0	0	
Communications	1	0	0	1	0	
Computers	1	1	0	1	(0)	
Cost of Goods sold	0	0	0	0	0	
Other Catering Supplies	0	0	0	0	0	
Office Supplies	8	4	4	8	(0)	
Specialist Advice & Work						
Commissioned	4	4	2	6	(2)	
Grants	0	0	0	0	0	
Accommodation	3	1	2	2	1	
Security	1	0	0	0	0	
Depreciation	2	1	1	1	1	
Cost of Capital	0	0	0	0	0	
	Gross resource	666	288	331	619	47
	Net resource	666	288	331	619	47
Capital	0	0	0	0	0	

Chamber and Committee Services

All figures £000s

	Budget	Actuals	Forecast	Outturn	Variance
Receipts	(530)	(167)	(305)	(471)	(59)
Salaries	30,195	14,269	15,117	29,386	809
Other Staff Costs	428	92	230	322	107
Travel & Subsistence	4,759	1,416	2,872	4,288	471
Information	14,180	6,983	6,695	13,678	502
Broadcasting	142	67	77	144	(2)
Communications	1,257	617	634	1,251	6
Computers	74	21	38	59	15
Cost of Goods sold	0	0	0	0	0
Other Catering Supplies	0	0	0	0	0
Office Supplies	1,008	399	502	902	106
Specialist Advice & Work Commissioned	1,893	468	1,039	1,507	386
Grants	0	0	0	0	0
Accommodation	41	10	23	33	8
Security	22,786	10,732	11,392	22,124	662
Depreciation	641	222	322	544	98
Cost of Capital	0	0	0	0	0
	Gross resource	35,297	38,940	74,238	3,167
	77,405	35,131	38,636	73,766	3,108
	Net resource				
Capital	92	9	34	43	49

Information Services

All figures £000s

	Budget	Actuals	Forecast	Outturn	Variance
Receipts	(493)	(442)	(159)	(601)	108
Salaries	12,746	6,570	6,268	12,838	(91)
Other Staff Costs	162	64	86	150	11
Travel & Subsistence	533	94	265	359	174
Information	2,223	871	1,147	2,018	205
Broadcasting	0	0	0	0	0
Communications	73	43	36	79	(6)
Computers	18	38	9	47	(29)
Cost of Goods sold	0	0	0	0	0
Other Catering Supplies	0	0	0	0	0
Office Supplies	102	50	51	101	1
Specialist Advice & Work Commissioned	294	80	134	214	80
Grants	0	0	0	0	0
Accommodation	184	56	93	149	35
Security	0	4	0	4	(4)
Depreciation	158	29	40	69	89
Cost of Capital	0	0	0	0	0
	Gross resource	7,898	8,128	16,027	466
	16,493	7,456	7,970	15,426	575
	Net resource				
Capital	135	78	18	96	38

Facilities

All figures £000s

	Budget	Actuals	Forecast	Outturn	Variance
Receipts	(8,135)	(3,881)	(4,443)	(8,324)	189
Salaries	20,464	9,879	10,271	20,151	313
Other Staff Costs	485	79	226	305	180
Travel & Subsistence	203	84	102	186	17
Information	58	24	29	53	5
Broadcasting	0	0	0	0	0
Communications	4,073	1,723	2,036	3,759	314
Computers	62	22	0	22	40
Cost of Goods sold	3,500	1,520	1,922	3,442	58
Other Catering Supplies	346	165	173	337	8
Office Supplies	960	365	483	848	113
Specialist Advice & Work Commissioned	1,754	621	807	1,428	327
Grants	0	0	0	0	0
Accommodation	33,377	15,591	15,965	31,556	1,821
Security	0	(0)	0	(0)	0
Depreciation	12,665	6,222	6,333	12,554	111
Cost of Capital	0	0	0	0	0
Gross resource	77,947	36,295	38,347	74,642	3,305
Net resource	69,812	32,414	33,904	66,318	3,494
Capital	17,103	4,354	4,547	8,901	8,202
Less: 53 Parliament Street	0	0	5,340	5,340	(5,340)
	17,103	4,354	9,887	14,241	2,862

Resources

All figures £000s

	Budget	Actuals	Forecast	Outturn	Variance
Receipts	0	(0)	(0)	(0)	0
Salaries	8,482	4,068	4,241	8,309	173
Other Staff Costs	1,252	643	626	1,269	(17)
Travel & Subsistence	32	1	16	17	15
Information	65	32	33	64	1
Broadcasting	0	0	0	0	0
Communications	3	1	2	3	0
Computers	40	37	20	57	(17)
Cost of Goods sold	0	0	0	0	0
Other Catering Supplies	0	0	0	0	0
Office Supplies	60	57	30	87	(27)
Specialist Advice & Work Commissioned	1,510	1,316	1,499	2,815	(1,305)
Grants	0	0	0	0	0
Accommodation	0	0	0	0	0
Security	0	0	0	0	0
Depreciation	325	14	163	177	148
Cost of Capital	0	0	0	0	0
Gross resource	11,769	6,169	6,629	12,798	(1,029)
Net resource	11,769	6,169	6,629	12,798	(1,029)
Capital	5	0	0	0	5

Parliamentary ICT

All figures £000s

	Budget	Actuals	Forecast	Outturn	Variance	
Receipts	0	2	0	2	(2)	
Salaries	9,258	4,904	4,634	9,538	(279)	
Other Staff Costs	400	132	196	328	72	
Travel & Subsistence	37	11	13	24	13	
Information	126	64	54	118	8	
Broadcasting	0	0	0	0	0	
Communications	1,924	944	909	1,854	71	
Computers	4,767	2,406	2,384	4,791	(23)	
Cost of Goods sold	0	0	0	0	0	
Other Catering Supplies	0	0	0	0	0	
Office Supplies	35	12	17	30	5	
Specialist Advice & Work Commissioned	17	6	8	14	2	
Grants	0	0	0	0	0	
Accommodation	36	16	23	39	(3)	
Security	0	0	0	0	0	
Depreciation	2,912	1,306	1,454	2,760	151	
Cost of Capital	0	0	0	0	0	
	Gross resource	19,512	9,802	9,693	19,495	17
	Net resource	19,512	9,804	9,693	19,497	15
Capital	2,074	503	1,126	1,629	445	

Office of the Chief Executive

All figures £000s

	Budget	Actuals	Forecast	Outturn	Variance
Receipts	0	0	0	0	0
Salaries	1,270	624	635	1,259	11
Other Staff Costs	36	16	18	34	2
Travel & Subsistence	13	4	7	10	3
Information	34	13	17	30	4
Broadcasting	0	0	0	0	0
Communications	2	0	1	1	1
Computers	10	(1)	5	4	6
Cost of Goods sold	0	0	0	0	0
Other Catering Supplies	0	0	0	0	0
Office Supplies	20	6	10	16	4
Specialist Advice & Work Commissioned	476	104	238	342	134
Grants	0	0	0	0	0
Accommodation	0	0	0	0	0
Security	0	0	0	0	0
Depreciation	2	2	1	3	(1)
Cost of Capital	0	0	0	0	0
	Gross resource	768	931	1,699	163
	Net resource	768	931	1,699	163
Capital	2	0	1	1	1

Security CoOrdinator

All figures £000s

	Budget	Actuals	Forecast	Outturn	Variance	
Receipts	0	0	0	0	0	
Salaries	196	51	122	173	23	
Other Staff Costs	1	0	0	1	(0)	
Travel & Subsistence	1	0	1	1	0	
Information	0	0	0	0	0	
Broadcasting	0	0	0	0	0	
Communications	0	0	0	0	0	
Computers	0	0	0	0	0	
Cost of Goods sold	0	0	0	0	0	
Other Catering Supplies	0	0	0	0	0	
Office Supplies	1	0	1	1	0	
Specialist Advice & Work Commissioned	0	0	0	0	0	
Grants	0	0	0	0	0	
Accommodation	0	0	0	0	0	
Security	0	0	0	0	0	
Depreciation	1	0	0	1	0	
Cost of Capital	0	0	0	0	0	
	Gross resource	200	51	125	176	24
	Net resource	200	51	125	176	24
Capital	0	0	0	0	0	

Grants

All figures £000s

	Budget	Actuals	Forecast	Outturn	Variance
Receipts	0	0	0	0	0
Salaries	0	0	0	0	0
Other Staff Costs	0	0	0	0	0
Travel & Subsistence	0	0	0	0	0
Information	0	0	0	0	0
Broadcasting	0	0	0	0	0
Communications	0	0	0	0	0
Computers	0	0	0	0	0
Cost of Goods sold	0	0	0	0	0
Other Catering Supplies	0	0	0	0	0
Office Supplies	0	0	0	0	0
Specialist Advice & Work Commissioned	0	0	0	0	0
Grants	3,746	2,772	973	3,746	0
Accommodation	0	0	0	0	0
Security	0	0	0	0	0
Depreciation	0	0	0	0	0
Cost of Capital	0	0	0	0	0
Gross resource	3,746	2,772	973	3,746	0
Net resource	3,746	2,772	973	3,746	0
Capital	0	0	0	0	0

Project Provision

All figures £000s

	Budget	Actuals	Forecast	Outturn	Variance
Receipts	0	0	0	0	0
Salaries	5,935	1,349	1,826	3,176	2,759
Other Staff Costs	94	6	41	47	47
Travel & Subsistence	18	1	8	9	8
Information	36	(0)	31	31	5
Broadcasting	0	0	0	0	0
Communications	0	111	0	111	(111)
Computers	1,488	986	774	1,760	(272)
Cost of Goods sold	0	0	0	0	0
Other Catering Supplies	0	0	0	0	0
Office Supplies	0	1	(0)	1	(1)
Specialist Advice & Work Commissioned	1,299	180	544	723	575
Grants	0	0	0	0	0
Accommodation	94	0	94	94	0
Security	0	(3)	0	(3)	3
Depreciation	70	406	69	475	(405)
Cost of Capital	0	0	0	0	0
	Gross resource	3,037	3,387	6,424	2,609
	Net resource	3,037	3,387	6,424	2,609
Capital	292	149	149	298	(6)

Central Provision

All figures £000s

	Budget	Actuals	Forecast	Outturn	Variance
Receipts	0	0	0	0	0
Salaries	(273)	0	0	0	(273)
Other Staff Costs	18,610	0	20,300	20,300	(1,690)
Travel & Subsistence	0	0	0	0	0
Information	0	0	0	0	0
Broadcasting	0	0	0	0	0
Communications	0	0	0	0	0
Computers	0	0	0	0	0
Cost of Goods sold	0	0	0	0	0
Other Catering Supplies	0	0	0	0	0
Office Supplies	0	0	0	0	0
Specialist Advice & Work					
Commissioned	100	0	100	100	0
Grants	0	0	0	0	0
Accommodation	985	0	0	0	985
Security	0	0	0	0	0
Depreciation	1,239	0	1,095	1,095	144
Cost of Capital	27,865	0	30,300	30,300	(2,435)
Gross resource	48,526	0	51,795	51,795	(3,269)
Net resource	48,526	0	51,795	51,795	(3,269)
Capital	(203)	0	0	0	(203)