

AGENDA ITEM 12

Ref 10/09-10

Financial Monitoring Report

30 November 2009

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Cash

Based on expenditure and fee income to 30 November 2009

Income

Collection Volumes Processed

Pay method	Current year to date			Annual Budget 2009- 10	Prior year to date for comparison
	Actual Volumes*	Budget volumes	% diff	Volumes	Volumes
Direct debit	344,010	344,000	-	356,000	307,977
Salary Deduction	146,909	147,000	-	147,000	170,118
Manual	50,474	50,000	-	52,000	44,502
Total	541,393	541,000	-	555,000	522,597

* This report is based on collected and processed fees

The original 2009-10 budget for fee collection predicted that a total of 540,000 fees would be collected in this financial year. As this level of fees had been collected by the first week in November, the annual target has been revised to 555,000 fees.

As at the end of November collection volumes for all three payment methods were in line with the revised forecast. During the month 13,000 direct debit payments were collected from teachers who qualified over the summer. Collection is 4% ahead of the same time last year.

Expenditure

The table below shows the main categories of budgeted activity and expenditure to date. Each area is monitored by the relevant committee. The budget figures shown here are after changes made by budget managers as part of the mid-year budget review.

	Annual budget	Actual to date	Profiled budget to date	Variance to date	Variance
Revenue expenditure	£'000	£000s	£000s	£000s	%
Communications	1,941	1,050	1,169	119	10%
Corporate Services	13,254	8,443	8,504	61	1%
Policy and Research	949	302	352	50	14%
Registration and Regulation	1,768	983	1,089	106	10%
2012 Transformation projects	1,868	950	1,006	56	6%
Bad Debts	300	(50)	(49)	1	N/A
	20,080	11,678	12,071	393	3%
Capital items	1,046	438	488	50	10%

(A positive variance figure denotes an under spend)

Communications

Communications budgets have been under spent by £119,000 to 30th November. This is 10% of the revised budget for the period.

The bulk of the under spend is in Web costs (£91,000) due to a combination of delayed website development and marketing, together with timing difference on the phasing of web base costs compared to the mid-year review. There are also savings in GTC hosted events due to further efficiencies in the way some events have been delivered.

Policy & Research

Policy budgets have under spent by £49,000, or 14% of the revised budget to date. Much of this difference is due to timing differences on the finalisation of some commissioned research, which also has to be approved by the DCSF.

Registration and Regulation

Registration and regulation costs have under spent by £106,000 to date, which is 10% of the revised budget. This compares to 13% at the same point last year.

Casework hearing costs (including induction appeals and presenting costs) are £78,000 under spent due to a shortfall in the number of the cases completed, together with the use of PCCMs to complete some cases, which are more cost effective. Costs for awarding QTS and registering teachers are under spent by £52,000 and £11,000 respectively due to efficiencies in printing and courier costs, with some activity delayed until later in the financial year.

2012 Projects

2012 projects have under spent by £57,000 (6%) to date compared to the revised budget.

The bulk of this under spend relates to the Teacher Learning Academy, due to delays in the marketing programme carried out by Cambridge Education and lower costs of verifying TLA assessments submitted by teachers. There have also been savings on the delivery of the Registration Categories project.

Corporate Services

Total corporate services expenditure is £61,000 (1%) less than budget for the period. Staff salary costs (including expenses) are £33,000 higher than forecast, as the budgeted vacancy rate of 5% has not been achieved. However, there have been some further savings on recruitment costs (£9,000) and staff training. Costs for temporary staff are also significantly lower than for the same period last year.

Depreciation is £25,000 below forecast. This is because expenditure on capital projects is still lower than budgeted and incurred later than originally anticipated.

Bank

	£000s		£000s
Current overall cash position at 30 November 2009	14,969	Actual interest rec'd*	188
Budget overall cash position at 30 November 2009^	12,210	Budget interest rec'd	187

Based on original cash flow forecast

** includes accrued interest for amounts on investment*

Cash balances are somewhat higher than forecast because of the under spend.