

Report to:	QSMTM Q1
Report by:	Kim Berry, Corporate Services Manager
Meeting Date:	13 November 2024
Subject/ Title: (and VC no)	CR Financial Summary Report Q2 2024-25 VC217868
Attached Papers (title and VC no)	Financial Summary – Variance Analysis as at 30 September 2024 VC217867

Purpose of report

1. This Committee Report (CR) has the following purposes:
 - to update the Senior Management Team (SMT) on the organisation spend against the agreed 2024-25 budget as at 30 September 2024.
 - to update the SMT on any instances of fraud in Q2 2024-25 and to the date of this committee report.

Recommendation and actions

2. I recommend that the SMT:
 - (i) notes the CR and the Financial Summary – Variance Analysis as at 30 September 2024 (Financial Summary)
 - (ii) agrees that the CR and the Financial Summary are published in full as set out in paragraph 17.

Executive summary

Financial Summary – Variance Analysis as at 30 September 2024

3. The Financial Summary provides details of organisation spend against the approved budget up to the end of Q1 2024-25.
4. Key points to note:
 - the “Budget year to date” column shows the budget for the first six months. Each approved budget line amount is divided by 12 and multiplied by the relevant number of months.
 - The variance amount may be somewhat misleading – for example, we may be over budget at this moment in time but under budget in the next quarter.
 - The approved budget available to drawdown has been reduced by £43,000. This is as a result of the staff pay award for 2024-25 being lower than budgeted.
 - Recruitment – expenditure has been accrued due to recent recruitment to the vacant Administrator position. There is no budget allocation for this expenditure therefore this cost will be met from savings in other areas of the budget.

- Professional Fees – there has been additional unbudgeted spend on HR support (Other Fees). I anticipate the overspend will increase to approximately £4,000 at year end. It is anticipated that this cost can be offset by savings in other areas of the budget.
 - Running costs – under and overspenders are predominantly due to timing of invoices and should even out across the year with the exception of IT costs. IT costs for 2024-25 will be higher than budgeted due to system changes recently implemented. If these additional costs cannot be met from savings across the budget then an application will be made to the Officeholders Contingency Fund.
5. The SMT has recognised that the current process of reporting expenditure against approved budget and forecasting of the overrun to the end of the financial year is unsatisfactory and does not provide the clarity required.
6. A project is included in the Operational Plan 2024-25 Q3 to review the current processes.

Instances of fraud – Q2 2024-25

7. As far as I am aware:
- there were no instances of fraud affecting our office in Q2,
 - there have been no instances of fraud affecting our office to date (13/11/24).

Risk impact

8. This CR helps to mitigate the impact of strategic and operational risks relating to the monitoring of resources. If resources are not monitored effectively this may affect business continuity and, also, result in the inefficient and inappropriate use of resources.

Equalities impact

9. There is no direct equalities impact arising from this CR.

Privacy impact

10. There is no direct privacy impact arising from this CR.

Resources impact

11. There is no additional resource impact as regards the preparation of this CR and the quarterly Financial Summary.
12. This CR helps us to monitor the impact of expenditure and the level of resources that are available during the financial year.

Operational/Strategic plan impact

13. Preparation of this CR and the quarterly Financial Summary fall within Business as Usual and the related governance reporting as set out in the Operational Plan 2024-25 and the Governance Reporting Arrangements 2024-25.
14. This CR helps us to monitor our resources and the impact on planned work carried out in 2024-25, as set out in the Operational Plan 2024-25.

Records management impact (including any key documents actions)

15. None – other than the publication requirements as set out in this CR.

Consultation and Communication

16. QSMTM Q2 minute.

Publication

17. This CR and the Financial Summary should be published in full.