

Period 12 2016/17

OneSource Financial Position

		REVISED CONTROLLABLE BUDGET					
SERVICE	NET	OUTTURN ACTUALS	Outturn Variance	P11 Forecast	Swing	REASON FOR SWING	REASON FOR FY OUTTURN VARIANCE
Finance oneSource	9,638,097	9,406,908	(231,189)	22,252	(253,441)	Additional internal recharge identified re insurance administration costs and fraud costs (to Newham HRA) and previously unforecasted accrual re reimbursement of procurement IT system.	Savings target more than offset by vacancies.
Business Services	1,794,407	1,089,749	(704,658)	(251,695)	(452,963)	Miscoded costs identified and corrected between P11 and outturn and realignment of budget relating to surplus savings.	Outturn underspend due to surplus savings of £600k being housed within this area along with staffing underspends re Business Support.
Exchequer & Transactional Services	8,665,628	8,976,559	310,931	203,038	107,893	Swing due to two journals which weren't actioned by finance within closure deadlines.	Outturn pressure is mainly due to the transactional services restructure being delayed by the implementation of the 1oracle project and Bexley's enforcement income target which could not be realised due to a lack of throughput of cases.
Legal & Governance	3,660,300	3,975,993	315,693	333,607	(17,914)	Minor variance <£100k	Over-established posts for which no funding present in 2016/17. Additional funding has been secured for 2017/18.
ICT Services	8,843,501	8,902,669	59,168	125,000	(65,832)	Minor variance <£100k	Minor variance <£100k
Asset Management Services	3,289,927	3,471,766	181,839	(14,186)	196,025	Assumptions re level of recharge to HRA for management of commercial property at P11 didn't materialise. Error in forecasting re NI.	Savings targets applied to budgets in 2016/17 - service not restructuring until 2017/18.
Strategic & Operational HR	3,256,300	3,244,262	(12,038)	(84,331)	72,293	Minor variance <£100k	Minor variance <£100k
TOTAL	39,148,160	39,067,906	(80,254)	333,684	(413,938)	Favourable improvement in outturn v P11 forecast mainly due to identification of miscoded costs and increase in negotiated recharges between P11 and outturn.	£9.5m of savings to date achieved as at close of 2016/17. Of the 2016/17 outturn variance, at council level, Bexley's shared is due to a lack of enforcement cases, Newham's is due to delayed restructures (AM) and overestablished posts (Legal) offset in part by enforcement surplus and H&S underspend and Havering's surplus is due to vacancy management and print charging cost recovery.

NOTES

Budgets and forecasts shown above relate to controllable budgets only

Apportionment is based on P9 permanent controllable budget % agreed by each council's S151 officer

The reported variance above excludes the oneSource reserve position funded by the 14/15 and 15/16 underspend (LBN and LBH only)

	Controllable variance	Non-controllable variance incl transfer to/from reserves	Total Outturn	Comment
Havering	- 195,445	189,620	- 5,825	Transfer to oneSource reserve and minor non-controllable variances
Bexley	69,835	-	69,835	NA
Newham	45,356	- 105,494	- 60,138	Transfer from oneSource reserve and non-controllable variances
Total	- 80,254	84,126	3,872	