

Period 3 2017/18

OneSource Financial Position

REVISED CONTROLLABLE BUDGET							
SERVICE	NET	YTD ACTUALS	YTD ENCUMBRANCES	ACTUALS + ENCUMBRANCES	FY PROJECTED OUTTURN	FY PROJECTED OUTTURN VARIANCE	REASON FOR FY PROJECTED OUTTURN VARIANCE
Finance oneSource	8,607,447	2,783,302	481,288	3,264,591	9,160,543	553,096	Forecasted pressure relates to the cost agency staff exceeding the established budget for the permanent equivalent.
Business Services	1,325,070	185,956	6,003	191,959	790,098	(534,972)	Forecasted underspend relates to overachievement of savings against notional business case target in other areas/services.
Exchequer & Transactional Services	6,723,372	1,859,377	(89,232)	1,770,145	6,723,372	0	At P3 the forecast is for a nil variance. Savings are being actively managed along with recruitment of staff and temporary workers. A prudent forecast for enforcement is made at P3 as the cases submitted in Q1 have decreased in number. However it is anticipated that this will increase over the coming months. Internal budget realignment journals are being processed that will adjust the budgets for P4.
Legal & Governance	3,356,230	1,047,897	73,609	1,121,506	3,356,230	0	Period 3 forecast assumes nil variance at year end - this takes account of additional budget committed to Legal Services in 2017/18 (not yet reflected in the budget) and factors in any outstanding recharge adjustments April - June.
ICT Services	7,857,810	5,052,428	810,573	5,863,001	10,000,842	2,143,032	The shared period 3 forecast is £2.1m. Reports are currently being circulated across both Havering and Newham seeking the funding of this forecasted pressure. The pressure relates to datawarehouse support, CRM support, ICT security and compliance and ICT business partnering posts as well as an inability to deliver on previously agreed savings targets which were predicated on the implementation of Oracle Cloud.
Asset Management Services	3,218,627	1,294,032	64,884	1,358,916	3,384,005	165,378	Period 3 forecasted overspend of £165k relates to the balance of the facilities management savings oneSource savings target which has yet to be delivered. Work is underway to identify how this remaining balance will be met.
Strategic & Operational HR	2,894,410	751,859	22,244	774,103	2,894,410	0	Reporting a nil variance at Period 3 - this takes account of budget due into the HR service regarding temporary agency worker funding.
TOTAL	33,982,966	12,974,853	1,369,368	14,344,221	36,309,500	2,326,534	The bulk of the overspend for Havering and Newham relates to growth in the demand for ICT. The ICT service, supported by finance are following the necessary processes at each council to seek to get this pressure funded on an on-going basis. Until the funding has been agreed and identified the spend will show as a pressure within this monitor. The Bexley variance relates to the pressures forecasted within the finance service due to agency staff and a shortfall against income target within enforcement (£95k). It should be noted that the enforcement forecast is expected to improve over the coming months.

NOTES

Budgets and forecasts shown above relate to controllable budgets only

Apportionment is based on 2016/17 permanent controllable budget % and may be recalculated to reflect subsequent adjustments

Havering

1,044,328

The reported variance excludes the oneSource reserve position funded by the 14/15 and 15/16 underspend

Bexley

189,924

Newham

1,092,282