

Period 3 2017/18

OneSource Newham non-shared Financial Position at Summary Level

	REVISED CONTROLLABLE BUDGET						
SERVICE	NET	YTD ACTUALS	YTD ENCUMBRANCES	ACTUALS + ENCUMBRANCE S	FY PROJECTED OUTTURN	FY PROJECTED OUTTURN VARIANCE	REASON FOR FY PROJECTED OUTTURN VARIANCE
Finance oneSource (oneSource MD, External Audit, Unallocated Overheads)	568,200	114,963	21,633	136,596	569,024	824	
Exchequer & Transactional Services (Child Care Vouchers, Pensions)	(411,300)	401,971	600,000	1,001,971	(425,257)	(13,957)	
Legal & Governance (Borough Elections)	0	441,712	7,633	449,345	0	0	A nil variance has been reported; Mayoral election spend will take place within this area before year end; the forecast assumes this will be forecasted. It has been flagged to Strategic Finance.
ICT Services (Verto/PMO team, 10ralce licence and hosting)	687,050	149,054	109,588	258,642	687,000	(50)	
Asset Management Services (Commercial property, facilities management and schools)	(1,083,500)	2,600,488	8,134,020	10,734,508	2,442,354	3,525,854	The Period 3 forecast of £3.5 overspend is made up of a number of factors:- rental income shortfall against budget (£300k Dockside, £400k East Ham and Stratford Town Halls), £200k carbon reduction scheme pressure due to schools no longer contributing to the cost of the scheme, £900k technical service recharge to capital shortfall (new pressure for 17/18 - relates to CIPFA guidance compliance) and pressures on the FM and property expenditure budgets. There has been a swing since P2 of £600k this relates to a slight worsening across a number of budget lines (£300k) and a correction of an erroneous period 2 forecast (£300k). All expenditure is being closely controlled and analysed and income generating opportunities are being pursued with a view to reducing this forecasted pressure as the year progresses, along with working with finance to identify budgets which need realigning.
Strategic & Operational HR (Union costs, Occupational Health, Training)	664,400	161,152	(45,050)	116,102	696,512	32,112	
TOTAL	424,850	3,869,340	8,827,825	12,697,164	3,969,633	3,544,783	The bulk of the overspend relates to the Asset Management service. This is a continuation of the structural pressures which contributed towards the 16/17 £3.2m outturn variance. There were some one-off pressures within 16/17 which impacted on the outturn, however, there has also been an increase in savings as part of 2017/18 budget development which have offset the benefit derived from not experiencing last year's one-off factors. The 2017/18 forecast reflects an improvement in control of spend, however, this has been offset by a new pressure resulting from a lower level of technical service recharges to capital in line with CIPFA regulations.

NOTES

The non-shared position has been included for information. The budgets and spend are not part of the cost sharing arrangement, however, they are managed by oneSource.

The budget figures above include controllable budgets only.