

Expenditure Category	2014-2015 T18 Actual Expenditure	2015-2016 Actual Expenditure to 31st October 2015	2015-16 Expenditure predicted for 1st November to 31st March 2016	Future financial years predicted expenditure (Pension strain payments)	Total (Columns A to D) (£)	Comparison to the total T18 Budget (One-off Investment costs) (£)	Notes
	(A) (£)	(B) (£)	(C) (£)	(D) (£)			
Revenue Expenditure							
ICT technology, implementation and workstream development	298,585	174,159	170,000	-	642,744	615,750	Note 1
ICT workstation costs and infrastructure	185,960	23,739	35,000	-	244,699	276,000	Note 2
Training and Accommodation	93,961	9,917	45,000	-	148,878	128,000	Note 3
Implementation and design of the future operating model	186,794	750	2,500	-	190,044	175,000	Note 4
Redundancy and Pension Strain costs	1,481,957	75,829		1,089,200	2,646,986	2,702,000	Note 5
Contingency	0	44,525	120,000	-	164,525	175,000	Note 6
Capital Expenditure							
Accommodation	338,310	70,307	45,000	-	453,617	450,000	Note 7
ICT Software	92,250	-	-	-	92,250	92,250	Note 8
TOTAL	2,677,817	399,226	417,500	1,089,200	4,583,743	4,614,000	

Summary - Apart from the pension strain costs which will be paid out in future financial years, all of the T18 expenditure (one-off investment costs) is predicted to have happened by the end of the financial year 2015-16. The table above shows that the predicted final spend (£4.584 million) is £30,000 less than the budget of £4.614 million.

Note 1 - ICT technology, implementation, workstream development and project management costs – These are the contract payments to the IT supplier for delivering the IT system and project management costs. These are predicted to be slightly over budget by £27,000 (3.8%*), mainly due to project management costs.

Note 2 - ICT workstation costs and infrastructure – This is predicted to be under budget by £31,000 as the majority of workstations and infrastructure have now been purchased.

Note 3 – Training and Accommodation – The original budget was set based on the training of all staff being provided by an external supplier. By looking at the systems that needed training on, an early decision was made to carry out more of the training in-house using a 'train the trainer' type approach rather than train all staff. This budget is forecast to be overspent by £21,000.

Note 4 - Implementation and design of the future operating model – The work with IESE has now been completed and the only remaining payment forecast is £2,500 for the Phase 2 recruitment exercise. This budget is predicted to be overspent by £15,000.

Note 5 – Redundancy and Pension Strain costs – This was the area of the budget which was the most difficult to predict. However the majority of the phases within the Transformation Programme have now gone live so the Council now has certainty of the majority of these costs. These were accrued for in the Accounts for 2014-15 and are reflected within the £1.49 million cost figure for 2014-15. In addition to this, an estimate has been made of the potential redundancy and pension strain costs arising from Phase 2. There are future years' payments of £1.09 million.

Note 6 – Contingency – The contingency budget is predicted to be utilised on transition costs of the Transformation Programme.

Note 7 – Accommodation (Follaton) – The accommodation budget is predicted to be slightly over budget by £4,000.

Note 8 – ICT Software – This is the software element of the contract payments to the IT supplier. This is treated as capital expenditure.

* This includes the software element of the IT contract.