

# Ofqual Board

## Paper 49/15

**Date:**

18 November 2015

**Title:**

Chief Operating Officer's Report

**Responsible Director:**

Marc Baker, Chief Operating Officer

**Paper for Information**

**Open (paragraphs 59 and 60 closed due to legal professional privilege, Annex D closed due to commercial confidentiality)**



**Issue**

1. This paper updates the Board on progress made and any issues identified since the last Board meeting in the Chief Operating Officer area of responsibility.

**Recommendation**

2. Board members are asked to note :
  - a. The latest financial position including the level of contingency funding available for the remainder of the financial year.

Board members are asked to approve:

- b. Extension of a contractor in the Data Services team to end March 2016.
- c. An increase in the RITS replacement project budget from £815k to £1.206m , including £45k contribution from CCEA. Note only £90k of this is additional funding, the remainder will be found from the existing IMTP and Data Services budgets.

### Comprehensive Spending Review 2016-21

3. We have no further update to report on that provided to the last Board meeting. We anticipate confirmation of our CSR submission by end November.

### CSR and Programme Budget 2015/16

4. The management accounts for the period April to September 2015 are attached at Annex A. The format of the report has been updated from that used previously. It now includes an overall summary for Ofqual and a separate summary for each of the four directorates. A percentage variance is also shown to help to provide some context to the values.
5. There is a year to date underspend of £521k which represents just 7% of the year to date budget. The main variances are on staffing costs (underspend of £454k), professional services (underspend of £172k) and ICT costs (overspend of £193k). The remaining £88k includes a number of smaller over and underspends.
6. The forecast for the year shows an underspend of £368k, which is 2% of the budget. In order to use resources effectively, this will be transferred to the project funding reserve (see separate section below). As a result of this we will :
  - a. implement a revised working budget which mirrors the forecast position as at 30th September. This will provide a refreshed reporting tool that accommodates both forecast overspends as well as underspends.
  - b. re-profile Directorate budgets for the remainder of the financial year. From October onwards, directorates will also be required to produce a full analysis of variances and explanations each month.
7. The total pay forecast of £11,825k provides sufficient funding to recruit up to the approved total of 205 posts. This includes a 1% performance related pay award and bonus provision, and recruitment to posts that are currently vacant.
8. Our CSR bid for 2016-17 is also based on 205 posts and an amount of £12,109k was included in the Ofqual CSR bid. Since the submission we have refined our forecast for 2016-17, for the 205 posts, to £11,991k; a reduction of £118k.
9. Ofqual continue to use a number of agency/interim staff and the table in Annex C provides information on the interims in place during September 2015. There was one individual on a procurement contract and this has now ended. The Board will note that many interims are due to leave Ofqual over the next few months.
10. In April 2015, £521k was set aside as a 'reserve' and this has been used to fund a number of projects and activities during the year. During the first half year additional contributions were made to the reserve and a total of £572k was spent on additional activities.

11. A further addition of £368k will be made to the reserve from the net underspend identified at the end of September. In addition, the 'star chamber' process during October, identified £173k of additional resources available to fund projects during the remainder of the financial year and these will also be added to the 'reserve'. This is an in-year reserve and cannot be carried over to future years. We will provide an update at the Board meeting on additional funding requests that have been approved or are proposed for the remainder of the year.
12. During October 2015, we held star chamber meetings with each directorate. The star chamber process allows us to make proposals to increase budgets for essential activity, identify budget values that can be surrendered for other work and focus on any key additional activity that needs to be undertaken either in the current year or next financial year.
13. In addition to the management accounts, we also monitor our performance against our financial controls totals as set out by HM Treasury. These are shown in Annex B.
14. We are undertaking a comprehensive review of Ofqual's Reform expenditure to confirm that we can use our chart of accounts to accurately separate the administration and programme funding. In its current form, this statement is a proxy for the required analysis until our in-depth work is complete.
15. The report shows the net Ofqual budget for the year of £16.503 million. In addition to the net budget, Ofqual receive income of £6.277 million, of which £5.96 million specifically relates to the Reform programme.
16. We are expecting the funding mechanism to be amended during the November supplementary estimates to provide a total budget of £22.463 million rather than showing the reform funding as separate income.
17. A full, detailed financial report was submitted to the Finance Committee on 30th October. This included further information on the financial position for Ofqual including pay and staffing costs, activities funded from the 'reserve', KPIs, Statement of Financial Position, Statement of Cash Flow, procurement activity and consultancy spend.
18. The Finance Committee have requested regular updates on the average cost of contractors and interim staff compared to the average cost of permanent staff. The current plan, subject to recruitment activity, is to significantly reduce the costs spent on interim/contractor resource from 12% in 2014-15 to 4% in 2015-16 and reduce the average cost per head from £92.2k in 2014-15 to £76.6k in 2015-16. The average cost of contractors and interim staff now being forecast for 2015-16 is £75.9k, which is below the planned average. The significant reduction since 2014-15 has been due to substitution of expensive interim resource with full time staff and also a general reduction in the market rates for new interims.

Staff Category	Forecast 2015-16		Plan 2015-16		Actual 2014-15	
	Average cost of 1 FTE	Annual FTE	Average cost of 1 FTE	Annual FTE	Average cost of 1 FTE	Annual FTE
Salary Staff	£57.9k	172	£57.2k	191.5	£54.9k	172.7
Interim/ Contractors	£75.9k	12.1	£76.6k	7.5	£92.2k	22.7
All Staff	£59.0k	184.1	£57.9k	199	£59.2k	195.4

#### Implementing the new Organisation Structure

19. We have twelve outstanding roles from the restructure where recruitment activity is planned or in progress including:
- Graduate Economists (x2)
  - Finance roles (x5)
  - Apprentices x 2 (6 applications received currently being reviewed)
  - Legal Roles x2 (Senior Lawyer and Legal Advisor)
  - Manager Assessment Quality and Standards

We expect to complete the majority of this recruitment by early in the New Year subject to attracting suitable candidates.

20. Of the three individuals who were not placed during the restructure, one was confirmed in a suitable alternative post within Ofqual and is now doing the role, one will exit the business on voluntary redundancy in December, and the other has secured a 2 year secondment outside of the business but within the Civil Service.

#### People

21. Further meetings with PCS on performance-related pay have taken place. We have responded to their objections about the timing of payment of the PRP increase during this transition period, and await further negotiations after the mid-year reviews.
22. The total number of individuals in established posts has increased to 159 with an additional 6 staff joining in November and 5 in December. We have two known leavers in the next 3 months giving us a proposed headcount of 168 by end-December. The remaining 25 vacancies are all 'business as usual' vacancies and will be recruited to over the next 3 months. Interim staff numbers have remained the same, and the number of contractors has reduced in the month by 1. The total number of fixed term staff has also reduced further by 1 in the month.
23. The level of short term sickness increased in September from 10 to 19 employees with a total of 114 lost days lost compared to 64 in the previous month. The main reason for absence varied, with cold, cough, flu and viral infection the most common reasons. Of the three individuals on long term sick

in September, two returned in October while an additional person was reclassified as long term sick.

24. Leave taken over the last three months has been lower than forecast with individuals having an average of 11 days remaining as at end September. Managers have been reminded that staff should take their outstanding leave with only 5 days allowed to be carried forward at the end of the calendar year unless there are exceptional reasons.
25. We haven't had any reported disciplinary, grievance or investigations this month.
26. SMG held a meeting at the proposed disaster recovery site in Birmingham during October. We also used this opportunity to test the communication channels we would use to contact staff in an emergency and run through the proposed 1<sup>st</sup> hour actions that would be taken..

#### People Strategy

27. The priority areas for the people strategy for the next 3 months are performance management, staff survey, staff forum, and technical skills development.
28. Mid year performance management reviews are due to be completed by mid November, we will be monitoring completion rates to assess whether the linkage to PRP has impacted on the quantity of conversations held. The indicative ratings from these reviews will inform the pay modelling that is being undertaken for the calculation of PRP.
29. The staff survey has been completed with 76% of staff responding. Key themes from the survey will be reported to the Board at the Board meeting.
30. A proposal to establish a staff forum has been agreed by SMG and nominations will be sought from employees during December 2015 with elections to follow in the New Year.
31. The 'How we Regulate' training is going well and all employees have been through the session either on the Directorate away days, during induction or through espresso sessions. The course is now being refined and put onto a video for future use. We have commissioned an external partner to assist with the writing of a Modular e-learning course on Validity and Assessment, which will be ready by the end of the year.

#### Health and Safety:

32. All H&S Policies and Procedures have now been updated. A new guidance document – 'A Guide to Managing Work Related Stress' has been drafted and is with PCS for review.
33. Additional fire wardens and a new first aider have been trained. A staff briefing session on the Health and Safety Management System is planned for November 11th. This will be followed by a schedule of training for all managers to bring them up to speed with their statutory responsibilities.

34. Despite several requests for volunteers for the Health and Safety Committee we have only had one person show interest (Regulatory and Corporate Services). We need volunteers from all other directorates so that we have proper representation.
35. The Health and Safety committee and our competent person (Interserve) recommended that as the responsible person for health and safety the COO should undertake a recognised qualification. Marc has now successfully passed his IOSH Managing Safely qualification.

#### IT and information Management

36. August and September were good months with IT availability at 100%. In October the internet connection was upgraded from 100Mb to 300Mb as part of the drive to move applications and data to the Microsoft Azure cloud and be independent of Spring Court. This resulted in an unplanned outage for 6 hours on Morning of Tuesday 12 October. Staff were sent to work from home for the afternoon and a review of the outage identified lessons which have been incorporated into our business continuity planning.
37. The withdrawal of QCF changes were applied to RITS on 30 September, and were uploaded successfully but this caused the SFA funding allocation systems to stop working. The issue was identified and resolved by the Lockheed Martin support team. It seems very likely that despite changes being communicated to SFA a number of times there may not have been enough, if any, testing done on their systems to ensure the change would work as intended on their data feed. Lessons have been learnt from this and will be applied to the launch of new RITS and build of temporary and permanent data feeds which SFA rely on for their funding allocation system.

#### IM transformation project

38. Following a review of progress to date, we have identified additional work which may be completed before the end of March 2016 to improve the functionality and features of new RITS:
  - a. Workflows and forms for processes currently delivered outside RITS, using other technology or manually, for these to be delivered electronically in new RITS.
  - b. SFA temporary data feed and to provide post go-live support during February/March 2016.
  - c. Additional work to deliver specific NI qualification requirements to be entirely funded by CCEA.
39. The current budget of £815k was an estimate guided by the technical design commissioned during 2014. The intention was for these designs to be updated following a review of the project to refine the functionality needed, costs and timescales which is standard practice for this approach to software development. Ongoing reviews of the project roadmap have highlighted where further investment in technology would benefit Ofqual and awarding organisations to improve regulation and reduce regulatory burden.

40. The board paper in April 2015 securing approval to start work on new RITS set out a risk management strategy which would identify any unallocated budget in the IM strategy cost centre, which is ring fenced programme funding, plus any available Ofqual underspend which may be allocated towards building new RITS, subject to approval.
41. There is £256k of programme funding originally earmarked for data services which is no longer required for this purpose; this work is now being delivered by the data services team, which would allow this budget to be allocated to new RITS to:
  - a. Extend the functionality of new RITS (£180k).
  - b. Build SFA temporary data feed (£42k).
  - c. Provide additional post go live support (£34k).
42. CCEA has requested additional functionality and is prepared to fund this work, as an addition to the project budget, at no cost to Ofqual (£45k). To extend the scope of regulatory processes by using electronic workflow and forms to replace current processes being delivered outside RITS, £90k has been requested from the Ofqual project fund.
43. Based on the above the total project budget would increase from £815k to £1.206m. There is no expectation of any further funding being needed for new RITS, over and above this request, with this phase of the project due to end in March 2016. A business case with more detail is at Annex D and includes approval for part of the work which has already been committed.

#### Data Services Team Interim Resource

44. The data services team is now building the database for the new system, leading on data migration from old to new RITS, building the data collection portal, installing additional components for the data warehouse and will start building new and temporary SFA data feeds so their systems can continue to run once the new AO portal goes live in February 2016 and the old data feed is switched off.
45. At its last meeting the Board agreed the extension of a contractor to 23 December. We still aim to release this individual on this date. However, we have since identified the need to retain an additional individual to support us to exploit new cloud based services now available in the MS Azure cloud.
46. This contractor has significant experience of data management at a senior level, data migration and providing programme management support to projects involved in new technology and implementing major change to business processes. Retaining the services of this contractor from 04 December 2015 to 31 March 2016, would cost £48.9k and exceed the £250k control total by this amount which requires Ofqual board approval.

## Communications

47. Consistent with our Corporate Plan, we have made further progress in communicating more effectively with our key stakeholders since the last Board meeting. In particular, we launched a pack of information postcards summarising aspects of the reforms to GCSEs, AS and A levels in mid-September. Copies were posted to 8,000 schools and colleges in England and uploaded and promoted on our Twitter and Pinterest social media platforms as well as our website. We estimate that within one week of launch around 300,000 people saw at least one of the eight postcards; this represents our highest ever engagement on social media.
48. We subsequently launched two further postcards - one on the regulated qualifications framework and another on our accreditation process; these were initially produced only in a digital format. The pack and subsequent postcards were supplemented by a range of 'intermediate' products that provided additional information for the interested reader. These included tables on our website summarising the changes associated with each reformed GCSE, AS and A level, blogs on a variety of topics, and a YouTube video on the qualifications framework. We looked to promote the launch of the framework further through an interview in FE News.
49. During the period, we were in receipt of a degree of criticism on social media with respect to some of the decisions taken by ourselves and the Department for Education on certain GCSE and A level subjects not being taken forward for reform. We subsequently published a summary table on our website specifying the rationale for each subject that is not being taken forward. This table was included in evidence submitted to the Education Committee ahead of the appearance of our CEO and Chair in mid-October.
50. Much of the discussion at that hearing, along with wider media coverage over the period elevated by comments made by specific stakeholders, related to the pace of accreditation, understanding of comparable outcomes and discussion of the quality of marking. We sought to use the hearing and other speaking opportunities over the period to present the facts in each case. With particular regard to marking, the often erroneous extension of justified differences in professional opinion identified through the enquiries process to allegations of marking 'error' presented a challenging media environment. The launch of a consultation into the appeals process and separate publication of data on enquiries later in the autumn will both present further opportunities to reinforce our messaging in this area, and we have begun to consider what other steps we might take to build understanding. Part of our approach will include meetings with teacher groups to discuss specific concerns.
51. We launched a new staff intranet in late September as a necessary precursor to our transition to a new regulatory IT system in the period ahead. The new intranet provides some small, but useful improvements to our ability to communicate and access information across the business. It also has the potential to improve efficiency of workflow processes as additional functionality is added in due course. Our internal communications have been further augmented during the period by better utilising existing technology. For



example, we are now routinely using the televisions in breakout areas to carry internal messaging, and we have made a number of screens in conference rooms 'airdrop' compatible.

52. Preparations for our conference for awarding organisations in early December continue to progress well. At the end of October we had close to 300 confirmed attendees and most external speakers agreed.

#### Regulatory Activity

53. Updates from the Regulatory Compliance team on audit, accreditation and recognition activity are included in the GQ and VQ Board reports, however, the Board may want to note that since the last Board update we have started audit work in Northern Ireland.
54. Recent recruitment activity to fill auditor vacancies has still left us 8 short of our full complement. In addition, the revised timescales for completing the FT2016 accreditation activity means that the planned top up anticipated from moving some people involved with accreditation onto audit will not happen. As a result the existing audit team is now fully deployed on commissioned audits for the next 6 months.
55. Prioritisation of the commissioned work is undertaken by the Operations Board and we will use this mechanism to flex the proposed audit programme to reflect available capacity. Investigations will continue to take priority over any audit activity.

#### Subject Experts

56. We have recently completed a benchmarking exercise to determine how the rates we pay to subject experts compare externally. This found that while we pay a high day rate compared to the rate typically paid to teachers in schools and further education this is not excessive in line with the expectations of the role and the lack of guarantee of work provided. This exercise has been reviewed by SMG, who agreed that no changes were required to our fee policy.

#### Customer Services and Complaints

57. There has been an expected increase in volumes for both Helpdesk and casework following the release of summer exam results. Both teams are fully resourced and performance is back within published service level agreements following a short term blip.
58. Ongoing work is being undertaken to look at how complaints are handled by the casework team to see where improvements can be made to increase efficiency. We are also looking at how the team can be best utilised under the new governance arrangements. Work is continuing to integrate the complaints data into the intelligence gathering process and we aim to pilot this by end March.

Legal

Paragraphs 59 and 60 have been withheld from publication due to Legal Professional Privilege.

Finance and Resource

- 61. The additional funding request for the extension to a contractor in data services for a total spend of £298.9k which represents an additional spend of £48.9k between end November and the end of March.
- 62. In addition we are looking for approval of an additional £392k spend on the RITS project taking the total spend with Lockheed Martin from £815k to £1.207m.

**Impact Assessments**

Equality Analysis

- 63. There are no impacts on the equality impact analysis already conducted for the implementation of the target operating model.

Regulatory Impact Assessment

No requirement for an impact assessment on the activities included in this paper.

Timescale

- 64. Timescales are discussed at relevant paragraphs

Paper to be published	YES except for paragraphs 56 and 57 that are subject to legal professional privilege and Annex D that is commercially confidential
Publication date (if relevant)	After the meeting

**ANNEXES:-**

- ANNEX A** Summary Management Accounts for the Period End September
- ANNEX B** Finance Control Totals
- ANNEX C** Agency/Interim Staff
- ANNEX D** RITS Development Request for additional funding (closed)

# Ofqual Summary

Description	Sep Actual	Sep Resource	Variance	Variance	YTD Actual	YTD Resource	Variance	Variance	Full Yr Forecast	Revised Resource	Variance	Variance
	£000's	£000's	£000's	%	£000's	£000's	£000's	%	£000's	£000's	£000's	%
Income	(330)	(377)	47	(13)	(2,780)	(2,765)	(15)	1	(6,295)	(6,277)	(18)	0
Other Operating Income	0	0	0	0	(30)	0	(30)	0	0	0	0	0
<b>Total Income / Funding</b>	<b>(330)</b>	<b>(377)</b>	<b>47</b>	<b>(13)</b>	<b>(2,810)</b>	<b>(2,765)</b>	<b>(45)</b>	<b>2</b>	<b>(6,295)</b>	<b>(6,277)</b>	<b>(18)</b>	<b>0</b>
Staff Pay	787	1,041	(254)	(24)	4,803	5,410	(607)	(11)	10,629	11,816	(1,187)	(10)
Non Payroll Salary Costs	125	0	125	0	826	673	153	23	1,196	673	524	78
<b>Total Pay</b>	<b>912</b>	<b>1,041</b>	<b>(129)</b>	<b>(12)</b>	<b>5,629</b>	<b>6,083</b>	<b>(454)</b>	<b>(7)</b>	<b>11,825</b>	<b>12,489</b>	<b>(664)</b>	<b>(5)</b>
Learning and Development	6	1	6	935	69	126	(56)	(45)	195	251	(56)	(22)
Staff Travel & Subsistence	14	22	(8)	(36)	73	108	(35)	(33)	191	228	(37)	(16)
Other Staff Costs	69	25	44	176	200	100	100	101	277	205	72	35
Staff Conferences / Meetings / Away Days	1	1	(1)	(48)	13	17	(3)	(21)	32	36	(4)	(11)
<b>Non Pay - Staff Related</b>	<b>90</b>	<b>49</b>	<b>41</b>	<b>85</b>	<b>355</b>	<b>350</b>	<b>6</b>	<b>2</b>	<b>695</b>	<b>720</b>	<b>(25)</b>	<b>(3)</b>
Professional Services	147	226	(79)	(35)	1,597	1,770	(172)	(10)	5,033	5,000	33	1
Accommodation Costs	39	43	(5)	(11)	469	549	(79)	(14)	908	939	(31)	(3)
Energy Utilities & Waste Management	5	6	(2)	(26)	31	35	(3)	(9)	66	70	(3)	(5)
Office Related Expenditure	5	15	(10)	(67)	99	117	(18)	(15)	222	214	8	4
ICT Costs	173	113	61	54	1,408	1,215	193	16	2,262	2,144	118	5
Non Staff Travel & Subsistence	5	7	(2)	(29)	21	42	(21)	(50)	60	74	(14)	(19)
Non Staff Conferences/Meetings	29	22	7	34	120	148	(28)	(19)	206	196	11	5
Systems Costs	1	2	(1)	(54)	14	11	3	31	27	22	5	22
Marketing and Media	16	11	5	45	72	81	(9)	(11)	151	149	2	1
Purchase Of Other Goods & Services	(0)	0	(0)	0	13	7	6	86	31	24	8	33
Charges / Interest	0	0	0	46	2	1	1	95	9	8	1	11
Reserve	(4)	0	(4)	0	(4)	0	(4)	0	(4)	(0)	(4)	175,834
<b>Non Pay - Non Staff Related</b>	<b>416</b>	<b>445</b>	<b>(29)</b>	<b>(7)</b>	<b>3,844</b>	<b>3,975</b>	<b>(131)</b>	<b>(3)</b>	<b>8,972</b>	<b>8,839</b>	<b>133</b>	<b>1</b>
<b>Total Non Pay Costs</b>	<b>506</b>	<b>494</b>	<b>12</b>	<b>3</b>	<b>4,199</b>	<b>4,325</b>	<b>(125)</b>	<b>(3)</b>	<b>9,667</b>	<b>9,559</b>	<b>108</b>	<b>1</b>
<b>Total Notional Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46</b>	<b>46</b>	<b>0</b>	<b>0</b>
<b>Total Depreciation Costs</b>	<b>75</b>	<b>57</b>	<b>17</b>	<b>30</b>	<b>447</b>	<b>343</b>	<b>104</b>	<b>30</b>	<b>836</b>	<b>686</b>	<b>150</b>	<b>22</b>
<b>Total Costs</b>	<b>1,163</b>	<b>1,214</b>	<b>(52)</b>	<b>(4)</b>	<b>7,465</b>	<b>7,985</b>	<b>(521)</b>	<b>(7)</b>	<b>16,079</b>	<b>16,503</b>	<b>(424)</b>	<b>(3)</b>

Note: The management accounts figures are shown in £000s but the % variances are calculated on the actuals. This means that where the figures are small and rounded to zero, there may still be a large % variance.

# General Qualifications

Description	Sep	Sep	Variance	Variance	YTD	YTD	Variance	Variance	Full Yr	Full Yr	Variance	Variance
	Actual	Resource	£000's	%	Actual	Resource	£000's	%	Forecast	Resource	£000's	%
<b>General Qualifications</b>												
Income	(210)	(210)	0	0	(1,829)	(1,829)	0	0	(4,660)	(4,660)	0	0
<b>Total Income / Funding</b>	<b>(210)</b>	<b>(210)</b>	<b>0</b>	<b>0</b>	<b>(1,829)</b>	<b>(1,829)</b>	<b>0</b>	<b>0</b>	<b>(4,660)</b>	<b>(4,660)</b>	<b>0</b>	<b>0</b>
Staff Pay	153	198	(44)	(22)	793	945	(152)	(16)	1,798	2,049	(251)	(12)
Non Payroll Salary Costs	37	0	37	0	192	79	113	143	258	79	178	225
<b>Total Pay</b>	<b>190</b>	<b>198</b>	<b>(7)</b>	<b>(4)</b>	<b>985</b>	<b>1,024</b>	<b>(39)</b>	<b>(4)</b>	<b>2,056</b>	<b>2,128</b>	<b>(72)</b>	<b>(3)</b>
Learning and Development	0	0	0	0	0	0	0	0	0	0	0	0
Staff Travel & Subsistence	1	3	(3)	(84)	9	16	(7)	(43)	19	26	(6)	(25)
Other Staff Costs	0	0	0	0	0	0	0	0	0	0	0	0
Staff Conferences / Meetings / Away Days	0	0	0	0	0	0	0	0	0	0	0	0
<b>Non Pay - Staff Related</b>	<b>1</b>	<b>3</b>	<b>(3)</b>	<b>(77)</b>	<b>10</b>	<b>16</b>	<b>(7)</b>	<b>(42)</b>	<b>19</b>	<b>26</b>	<b>(6)</b>	<b>(24)</b>
Professional Services	119	180	(61)	(34)	1,198	1,317	(119)	(9)	4,163	4,154	9	0
Accommodation Costs	0	0	0	0	0	0	0	0	0	0	0	0
Energy Utilities & Waste Management	0	0	0	0	0	0	0	0	0	0	0	0
Office Related Expenditure	0	0	(0)	(100)	0	2	(2)	(100)	0	3	(2)	(96)
ICT Costs	0	0	0	0	0	0	0	0	0	0	0	0
Non Staff Travel & Subsistence	4	5	(1)	(19)	16	29	(13)	(45)	33	45	(13)	(28)
Non Staff Conferences/Meetings	28	17	11	66	108	117	(10)	(8)	138	127	11	9
Systems Costs	0	0	0	0	0	0	0	0	0	0	0	0
Marketing and Media	0	1	(1)	(100)	0	3	(3)	(100)	12	15	(3)	(23)
Purchase Of Other Goods & Services	0	0	0	0	0	0	0	0	0	0	0	0
Charges / Interest	0	0	0	0	0	0	0	0	0	0	0	0
Reserve	0	0	0	0	0	0	0	0	0	0	0	0
<b>Non Pay - Non Staff Related</b>	<b>151</b>	<b>203</b>	<b>(52)</b>	<b>(26)</b>	<b>1,321</b>	<b>1,469</b>	<b>(148)</b>	<b>(10)</b>	<b>4,345</b>	<b>4,343</b>	<b>1</b>	<b>0</b>
<b>Total Non Pay Costs</b>	<b>152</b>	<b>206</b>	<b>(54)</b>	<b>(26)</b>	<b>1,331</b>	<b>1,485</b>	<b>(155)</b>	<b>(10)</b>	<b>4,364</b>	<b>4,369</b>	<b>(5)</b>	<b>(0)</b>
<b>Total Notional Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Depreciation Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Costs</b>	<b>132</b>	<b>193</b>	<b>(62)</b>	<b>(32)</b>	<b>487</b>	<b>680</b>	<b>(194)</b>	<b>(28)</b>	<b>1,760</b>	<b>1,837</b>	<b>(77)</b>	<b>(4)</b>

Note: The management accounts figures are shown in £000s but the % variances are calculated on the actuals. This means that where the figures are small and rounded to zero, there may still be a large % variance.

# Regulatory and Corporate Services

Description	Sep Actual	Sep Resource	Variance	Variance	YTD Actual	YTD Resource	Variance	Variance	Full Yr Forecast	Full Yr Resource	Variance	Variance
	£000's	£000's	£000's	%	£000's	£000's	£000's	%	£000's	£000's	£000's	%
<b>Regulatory and Corporate Services</b>												
Income	(98)	(98)	0	0	(806)	(797)	(9)	1	(1,357)	(1,340)	(18)	1
Other Operating Income	0	0	0	0	(30)	0	(30)	0	0	0	0	0
<b>Total Income / Funding</b>	<b>(98)</b>	<b>(98)</b>	<b>0</b>	<b>0</b>	<b>(836)</b>	<b>(797)</b>	<b>(39)</b>	<b>5</b>	<b>(1,357)</b>	<b>(1,340)</b>	<b>(18)</b>	<b>1</b>
Staff Pay	299	382	(83)	(22)	1,893	2,125	(233)	(11)	4,129	4,583	(454)	(10)
Non Payroll Salary Costs	63	0	63	0	464	472	(8)	(2)	719	472	247	52
<b>Total Pay</b>	<b>361</b>	<b>382</b>	<b>(21)</b>	<b>(5)</b>	<b>2,357</b>	<b>2,598</b>	<b>(241)</b>	<b>(9)</b>	<b>4,848</b>	<b>5,055</b>	<b>(207)</b>	<b>(4)</b>
Learning and Development	6	0	6	0	69	125	(56)	(44)	194	250	(56)	(22)
Staff Travel & Subsistence	9	6	3	59	32	31	1	3	60	63	(3)	(5)
Other Staff Costs	69	25	44	176	197	99	98	99	243	173	70	40
Staff Conferences / Meetings / Away Days	0	1	(1)	(66)	13	17	(4)	(25)	29	34	(4)	(13)
<b>Non Pay - Staff Related</b>	<b>85</b>	<b>32</b>	<b>53</b>	<b>165</b>	<b>312</b>	<b>272</b>	<b>40</b>	<b>15</b>	<b>527</b>	<b>520</b>	<b>7</b>	<b>1</b>
Professional Services	3	8	(4)	(55)	72	46	27	59	110	91	19	20
Accommodation Costs	38	43	(5)	(11)	452	533	(81)	(15)	879	912	(33)	(4)
Energy Utilities & Waste Management	4	6	(2)	(33)	29	33	(4)	(12)	62	66	(4)	(6)
Office Related Expenditure	5	14	(10)	(67)	102	106	(4)	(4)	221	200	21	11
ICT Costs	173	113	61	54	1,407	1,202	205	17	2,234	2,117	117	6
Non Staff Travel & Subsistence	0	0	0	0	1	0	1	0	1	0	1	0
Non Staff Conferences/Meetings	0	0	0	146	2	1	1	56	3	3	1	33
Systems Costs	1	2	(1)	(54)	14	11	3	31	27	22	5	22
Marketing and Media	16	5	11	204	67	69	(2)	(3)	134	125	8	7
Purchase Of Other Goods & Services	0	0	0	0	1	0	1	0	1	0	1	0
Charges / Interest	0	0	0	46	1	1	0	11	8	8	0	1
Reserve	(4)	0	(4)	0	(4)	0	(4)	0	(4)	(0)	(4)	175,834
<b>Non Pay - Non Staff Related</b>	<b>238</b>	<b>191</b>	<b>47</b>	<b>24</b>	<b>2,144</b>	<b>2,000</b>	<b>144</b>	<b>7</b>	<b>3,675</b>	<b>3,543</b>	<b>132</b>	<b>4</b>
<b>Total Non Pay Costs</b>	<b>323</b>	<b>224</b>	<b>100</b>	<b>45</b>	<b>2,455</b>	<b>2,272</b>	<b>183</b>	<b>8</b>	<b>4,202</b>	<b>4,063</b>	<b>139</b>	<b>3</b>
Notional Costs	0	0	0	0	0	0	0	0	46	46	0	0
<b>Total Depreciation Costs</b>	<b>75</b>	<b>57</b>	<b>17</b>	<b>30</b>	<b>447</b>	<b>343</b>	<b>104</b>	<b>30</b>	<b>836</b>	<b>686</b>	<b>150</b>	<b>22</b>
<b>Total Costs</b>	<b>661</b>	<b>565</b>	<b>96</b>	<b>17</b>	<b>4,423</b>	<b>4,416</b>	<b>7</b>	<b>0</b>	<b>8,574</b>	<b>8,510</b>	<b>64</b>	<b>1</b>

Note: The management accounts figures are shown in £000s but the % variances are calculated on the actuals. This means that where the figures are small and rounded to zero, there may still be a large % variance.

# Strategy Risk & Research

Description	Sep	Sep	Variance	Variance	YTD	YTD	Variance	Variance	Full Yr	Full Yr	Variance	Variance
	Actual	Resource	£000's	%	Actual	Resource	£000's	%	Forecast	Resource	£000's	%
	£000's	£000's	£000's	%	£000's	£000's	£000's	%	£000's	£000's	£000's	%
<b>Strategy Risk &amp; Research</b>												
Income	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Income / Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Staff Pay	132	215	(83)	(39)	926	1,241	(316)	(25)	2,026	2,533	(507)	(20)
Non Payroll Salary Costs	21	0	21	0	101	42	59	140	145	42	103	244
<b>Total Pay</b>	<b>153</b>	<b>215</b>	<b>(63)</b>	<b>(29)</b>	<b>1,026</b>	<b>1,283</b>	<b>(257)</b>	<b>(20)</b>	<b>2,170</b>	<b>2,575</b>	<b>(405)</b>	<b>(16)</b>
Learning and Development	0	0	0	0	0	0	0	0	0	0	0	0
Staff Travel & Subsistence	1	4	(3)	(78)	8	19	(11)	(57)	35	44	(9)	(21)
Other Staff Costs	(0)	0	(0)	0	1	0	1	0	2	1	1	46
Staff Conferences / Meetings / Away Days	0	0	0	0	0	0	0	0	0	0	0	0
<b>Non Pay - Staff Related</b>	<b>1</b>	<b>4</b>	<b>(3)</b>	<b>(79)</b>	<b>9</b>	<b>19</b>	<b>(10)</b>	<b>(53)</b>	<b>37</b>	<b>45</b>	<b>(9)</b>	<b>(19)</b>
Professional Services	2	19	(17)	(91)	158	245	(86)	(35)	412	403	9	2
Accomodation Costs	0	0	0	0	0	0	0	0	0	0	0	0
Energy Utilities & Waste Management	0	0	0	0	0	0	0	0	0	0	0	0
Office Related Expenditure	0	0	0	0	0	7	(7)	(100)	0	7	(7)	(100)
ICT Costs	0	0	0	0	0	0	0	0	0	0	0	0
Non Staff Travel & Subsistence	0	2	(2)	(100)	0	10	(10)	(96)	20	23	(3)	(13)
Non Staff Conferences/Meetings	0	0	0	0	1	0	1	0	11	10	1	7
Systems Costs	0	0	0	0	0	0	0	0	0	0	0	0
Marketing and Media	0	0	0	0	0	0	0	0	0	0	0	0
Purchase Of Other Goods & Services	(0)	0	(0)	0	7	5	2	32	24	22	2	8
Charges / Interest	0	0	0	0	0	0	0	0	0	0	0	0
Reserve	0	0	0	0	0	0	0	0	0	0	0	0
<b>Non Pay - Non Staff Related</b>	<b>1</b>	<b>21</b>	<b>(19)</b>	<b>(93)</b>	<b>167</b>	<b>267</b>	<b>(100)</b>	<b>(38)</b>	<b>466</b>	<b>465</b>	<b>1</b>	<b>0</b>
<b>Total Non Pay Costs</b>	<b>2</b>	<b>25</b>	<b>(23)</b>	<b>(91)</b>	<b>176</b>	<b>286</b>	<b>(111)</b>	<b>(39)</b>	<b>503</b>	<b>510</b>	<b>(7)</b>	<b>(1)</b>
<b>Total Notional Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Depreciation Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Costs</b>	<b>155</b>	<b>240</b>	<b>(86)</b>	<b>(36)</b>	<b>1,202</b>	<b>1,570</b>	<b>(368)</b>	<b>(23)</b>	<b>2,673</b>	<b>3,085</b>	<b>(412)</b>	<b>(13)</b>

Note: The management accounts figures are shown in £000s but the % variances are calculated on the actuals. This means that where the figures are small and rounded to zero, there may still be a large % variance.

# Vocational Qualifications

Description	Sep Actual	Sep Resource	Variance	Variance	YTD Actual	YTD Resource	Variance	Variance	Full Yr Forecast	Full Yr Resource	Variance	Variance
	£000's	£000's	£000's	%	£000's	£000's	£000's	%	£000's	£000's	£000's	%
Vocational Qualifications												
Income	(22)	(69)	47	(68)	(145)	(139)	(6)	4	(277)	(277)	0	(0)
<b>Total Income / Funding</b>	<b>(22)</b>	<b>(69)</b>	<b>47</b>	<b>(68)</b>	<b>(145)</b>	<b>(139)</b>	<b>(6)</b>	<b>4</b>	<b>(277)</b>	<b>(277)</b>	<b>0</b>	<b>(0)</b>
Staff Pay	203	246	(43)	(18)	1,191	1,098	93	8	2,676	2,651	25	1
Non Payroll Salary Costs	5	0	5	0	69	79	(10)	(13)	75	79	(4)	(5)
<b>Total Pay</b>	<b>208</b>	<b>246</b>	<b>(38)</b>	<b>(16)</b>	<b>1,260</b>	<b>1,177</b>	<b>83</b>	<b>7</b>	<b>2,751</b>	<b>2,731</b>	<b>21</b>	<b>1</b>
Learning and Development	0	1	(1)	(100)	0	1	(1)	(100)	1	1	(1)	(50)
Staff Travel & Subsistence	3	8	(5)	(62)	23	41	(18)	(44)	78	96	(18)	(19)
Other Staff Costs	0	0	0	0	2	1	1	195	32	31	1	4
Staff Conferences / Meetings / Away Days	0	0	0	0	0	0	0	0	2	2	0	9
<b>Non Pay - Staff Related</b>	<b>3</b>	<b>9</b>	<b>(6)</b>	<b>(65)</b>	<b>25</b>	<b>42</b>	<b>(17)</b>	<b>(41)</b>	<b>113</b>	<b>130</b>	<b>(17)</b>	<b>(13)</b>
Professional Services	22	19	4	19	169	163	6	4	349	352	(3)	(1)
Accommodation Costs	0	0	(0)	(4)	18	16	2	10	29	27	2	6
Energy Utilities & Waste Management	0	0	0	0	2	2	1	36	5	4	1	16
Office Related Expenditure	0	0	0	21	(3)	2	(4)	(262)	1	5	(4)	(87)
ICT Costs	0	0	0	0	1	14	(13)	(94)	28	27	1	3
Non Staff Travel & Subsistence	1	1	1	81	4	3	1	34	7	6	1	18
Non Staff Conferences/Meetings	1	5	(4)	(83)	9	29	(20)	(69)	54	56	(2)	(3)
Systems Costs	0	0	0	0	0	0	0	0	0	0	0	0
Marketing and Media	0	5	(5)	(97)	6	9	(3)	(37)	6	9	(3)	(37)
Purchase Of Other Goods & Services	0	0	0	0	5	2	4	233	7	2	5	339
Charges / Interest	0	0	0	0	1	0	1	0	1	0	1	0
Reserve	0	0	0	0	0	0	0	0	0	0	0	0
<b>Non Pay - Non Staff Related</b>	<b>25</b>	<b>30</b>	<b>(4)</b>	<b>(15)</b>	<b>212</b>	<b>239</b>	<b>(27)</b>	<b>(11)</b>	<b>486</b>	<b>488</b>	<b>(2)</b>	<b>(0)</b>
<b>Total Non Pay Costs</b>	<b>29</b>	<b>39</b>	<b>(10)</b>	<b>(26)</b>	<b>237</b>	<b>281</b>	<b>(44)</b>	<b>(16)</b>	<b>598</b>	<b>618</b>	<b>(19)</b>	<b>(3)</b>
<b>Total Notional Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Depreciation Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Costs</b>	<b>215</b>	<b>216</b>	<b>(1)</b>	<b>(0)</b>	<b>1,353</b>	<b>1,319</b>	<b>34</b>	<b>3</b>	<b>3,072</b>	<b>3,071</b>	<b>1</b>	<b>0</b>

Note: The management accounts figures are shown in £000s but the % variances are calculated on the actuals. This means that where the figures are small and rounded to zero, there may still be a large % variance.

# Management Accounts by Control Totals

## as at September 15

submitted  
to HMT



	P6 YTD BUDGET	P6 YTD ACTUAL	VARIANCE	2015/16 BUDGET	2015/16 FORECAST	VARIANCE	BUDGET REMAINING	%	2015/16 BUDGET
	£000	£000	£000	£000	£000	£000	£000		£000
Pay	5,842	5,630	212	12,122	11,463	659	6,492	54%	12,219
Other Expenditure	1,384	1,344	40	2,710	2,866	(156)	1,366	50%	3,915
Depreciation	0	0	0	0	0	0	0	0%	0
Income	(139)	(175)	36	(317)	(317)	0	(142)	45%	(317)
<b>ADMINISTRATION</b>	<b>7,087</b>	<b>6,799</b>	<b>288</b>	<b>14,515</b>	<b>14,012</b>	<b>503</b>	<b>7,716</b>	<b>53%</b>	<b>15,817</b>
Pay	466	268	198	823	891	(68)	555	67%	714
Other Expenditure	2,716	2,586	130	6,439	6,374	65	3,853	60%	5,246
Depreciation	343	447	(104)	686	836	(150)	239	35%	686
Income	(2,626)	(2,635)	9	(5,960)	(5,978)	18	(3,325)	56%	(5,960)
<b>PROGRAMME</b>	<b>899</b>	<b>666</b>	<b>233</b>	<b>1,988</b>	<b>2,123</b>	<b>(135)</b>	<b>1,322</b>	<b>66%</b>	<b>686</b>
Pay	6,308	5,898	410	12,945	12,354	591	7,047	54%	12,933
Other Expenditure	4,100	3,930	170	9,149	9,240	(91)	5,219	57%	9,161
Depreciation	343	447	(104)	686	836	(150)	239	35%	686
Income	(2,765)	(2,810)	45	(6,277)	(6,295)	18	(3,467)	55%	(6,277)
<b>TOTAL</b>	<b>7,986</b>	<b>7,465</b>	<b>521</b>	<b>16,503</b>	<b>16,135</b>	<b>368</b>	<b>9,038</b>	<b>55%</b>	<b>16,503</b>



## Summary Table of Current Interims

Includes interims remaining in post during September 2015. Interims who had left before September are not included.

Directorate	Contract end date	2013-14	2014-15	2015-16	Cumulative up	Annualised	Cumulative Spend Band	
					to Sep 2015	Calculation (1)		
		£	£	£	£	£		
SRR	23/12/2015	71,340	107,700	57,600	236,640	120,640	£200k +	
Corp Serv	03/12/2015	19,338	134,593	68,671	222,601	144,691	£200k +	
Corp Serv	11/09/2015	78,442	80,636	41,581	200,659	81,518	£200k +	
SRR	24/12/2015	33,753	85,684	29,923	149,360	84,421	£125k - £150k	
Corp Serv	27/10/2015	41,566	50,645	26,520	118,731	58,246	£100k - £125k	
Corp Serv	31/12/2015		58,283	37,044	95,326	79,951	£75k - £100k	
Reg Comp	30/10/2015	6,516	48,103	27,186	81,805	54,537	£75k - £100k	
Corp Serv	31/12/2015		45,116	34,203	79,318	73,653	£75k - £100k	
Corp Serv	30/10/2015	26,222	28,743	17,482	72,446	38,441	£50k - £75k	
VQ	31/01/2016		23,942	34,297	58,239	72,105	£50k - £75k	
Reg Comp	02/11/2015	4	25,928	16,133	42,061	136,698	£25k - £50k	
Reform	31/01/2016			37,318	37,318	97,026	£25k - £50k	
Reform	21/09/2015	2		34,675	34,675	75,129	£25k - £50k	
Corp Serv	28/11/2015		14,041	19,395	33,436	37,797	£25k - £50k	
Reform	30/09/2015	3		28,975	28,975	62,780	£25k - £50k	
Reform	30/09/2015	3		26,995	26,995	58,489	£25k - £50k	
Reform	21/09/2015	2		25,524	25,524	66,362	£25k - £50k	
Reform	21/09/2015	2		22,044	22,044	71,642	Up to £25k	
Reg Comp	27/11/2015		8,024	9,310	17,333	18,778	Up to £25k	
Reform	21/09/2015	2		16,605	16,605	53,966	Up to £25k	
SRR	02/10/2015			11,590	11,590	30,133	Up to £25k	
Corp Serv	27/11/2015			10,830	10,830	140,790	Up to £25k	
Reg Comp	02/11/2015	4		7,361	7,361	47,847	Up to £25k	
Reg Comp	02/11/2015	4		7,194	7,194	46,758	Up to £25k	
VQ	30/09/2015	5	64,078	136,543	43,529	244,150	133,173	£200k +

(1) Simple annualisation: Total/months employed\*12. This will fluctuate depending on annual leave and part complete months.

(2) Moved to fixed term contract 21/09/2015

(3) Moved to fixed term contract 30/09/2015

(4) Moved to fixed term contract 02/11/2015

(5) Procurement contract, not agency