

APPENDIX 2

Summary of main budget variances: Forecast for full year as at 31 October 2013

Variances Analysis of the full year forecast expenditure or income, against budget to the year end.

Expenditure Heading	Variance £*	Most Significant Reasons for Variance
Salaries	(20,000)	Reduced expenditure following delayed appointments of staff to Benefits and Data Quality sections. Positions have now been filled apart from half of one post that is currently in the process of being filled.
Administration	(20,000)	
Investment Governance & Member Training	(50,000)	The budget for investment advice in relation to the new mandate searches included contingency for which will not be required.
Investment Manager Fees	821,000	Investment Manager fees are currently forecast to be above budget as a result of the investment returns exceeding the budget due to strong markets since setting the budget (based on asset values as at December 2012).
Expenditure outside direct control	771,000	
Total Forecast Overspend	751,000	

*() variance represents an under-spend, or recovery of income over budget
+ve variance represents an over-spend, or recovery of income below budget