

**Finance Report Summary, Financial Year 2018/19
March 2019**

Executive Summary

The draft year end position for the financial accounts as at 31st March 2019 are as below. This are still subject to audit and final accounting adjustments. The operating position at the year end is showing a deficit of £220k. This is mainly due to underachieving the Data Protection Fee Income target by £300k, overspends on travel and legal costs and savings generated against costs. A deficit of this extent is within the expected tolerance and will not result in any financial recommendations from DCMS or cash hand back.

Description	YTD	April	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	YTD	Total Budget	Variance to Budget
	RAG RATING	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
DP FEE INCOME	R	1,901	2,995	3,583	3,293	3,241	3,308	4,335	3,430	2,276	3,670	3,394	3,830	39,256	39,561	305
GRANT IN AID	G	313	313	395	313	313	395	313	313	541	413	413	591	4,626	4,626	0
OTHER INCOME	G	0	0	0	0	4	1	1	1	1	1	1	280	290	129	161
OFFICE COSTS	G	133	148	183	139	195	144	156	179	147	176	229	214	2,043	2,226	183
STAFF COSTS	G	1,752	1,849	1,926	2,091	2,763	2,347	2,499	2,467	2,473	2,657	2,611	3,144	28,579	29,018	481
TRAINING AND RECRUITMENT	G	49	188	82	128	145	60	120	129	86	117	14	62	1,180	1,264	83
IT COSTS	G	224	223	254	176	194	503	234	391	244	357	224	430	3,454	3,550	97
PROJECT SPEND	G	103	76	175	129	60	128	-266	126	189	7	124	481	1,332	1,350	17
COMMUNICATIONS	G	169	30	56	38	45	41	36	56	106	59	64	82	782	789	5
FINANCIAL COSTS	R	20	3	3	13	22	13	6	14	6	13	15	9	137	124	13
TRAVEL	R	50	63	76	56	20	71	76	122	82	107	118	142	983	742	243
LEGAL, PROFESSIONAL & OTHER	R	364	351	159	323	186	275	201	319	372	505	294	500	3,849	3,203	646
CAPITAL SPEND	G	-	-	-	-	-	-	389	17	0	166	16	63	651	650	-1
OPERATING SURPLUS	R	650	377	1,064	513	72	122	1,198	76	887	79	98	424	220	0	220

Income

The final end of year DP income has come in at £39,256 or £305K (0.8%) under our projected income of £39,561K. 2018/19 was an unprecedented year with regards to the Data Protection Fees as it included the new GDPR and a new fee regime. This meant that during the year the fees have increased by 86% compared to the amount received in the prior year. With such a material change forecasting cannot be based on historic trends which led to a couple of months where the actuals did not meet the forecast

Funds received from the Regulatory Pioneers Fund have exceeded expectations, allowing us to claim 100% of the costs expended within the year rather than the expected 60% when the project was in its inception. As such, the total income for the year was £44,316K, only 0.3% below total income projections of £44,172K.

DP Fee Income actuals vs budget per month

Month	BUDGET 2018/19	2018/19 Income Forecast (updated Oct 2018)	2018/19 Actual	Variance to Budget
April	1,700	1,901	1,901	-
May	1,980	2,995	2,995	-
June	2,850	3,583	3,583	-
July	2,830	3,293	3,293	-
August	2,830	3,241	3,241	-
September	3,140	3,308	3,308	-
October	3,260	4,335	4,335	-
November	3,150	3,457	3,430	-27
December	2,100	2,302	2,276	-26
January	3,660	4,013	3,670	-343
February	3,250	3,568	3,394	-174
March	3,530	3,564	3,830	266
Total	34,280	39,560	39,256	-304

Expenditure

The majority of expenditure has ended the year either close to budget or with a minor underspend with the exception of travel and professional fees. The travel overspend is due to the increased need for senior staff to travel overseas and the general uplift in staff required to travel during the period. A large element of this has been the requirement of staff travelling to Brussels due to Brexit.

The legal & professional costs are showing a significant overspend, the majority of which is attributable to high profile investigation and the resulting litigation. This is recognised as being an area that would lead to an overspend within year and something that would need to be managed within our own resources by utilising savings in other areas.

End of year position:

The draft position at end of year is an overspend of £220K. This is within our expected tolerance and will not result in any financial recommendations from DCMS or cash handback.

DRAFT MANAGEMENT REPORT

For the Twelve Months Ending 31 March 2019

	Year To Date		
	Budget £	Actual £	Variance £
FOI GRANT IN AID	3,750,000	3,750,000	0
NIS GRANT IN AID	500,000	500,000	0
REGULATORY PIONEERS FUND	117,414	279,000	161,586
eIDAS	46,000	46,000	0
DP FEE INCOME	39,560,868	39,255,623	-305,245
IPA INCOME	330,000	330,000	0
TPS MANAGEMENT INCOME	11,780	11,777	-3
BANK INTEREST	0	-360	-360
TOTAL INCOME	44,316,062	44,172,040	-144,022
OFFICE COSTS	2,225,505	2,043,194	182,310
STAFF COSTS	29,018,255	28,578,739	-43,487
TRAINING AND RECRUITMENT	1,264,178	1,180,339	83,840
IT COSTS	3,550,000	3,454,250	95,752
PROJECT SPEND	1,350,000	1,331,535	18,465
COMMUNICATIONS	789,000	782,310	6,690
FINANCIAL COSTS	123,500	137,481	-13,981
TRAVEL	752,835	983,440	-230,606
LEGAL, PROFESSIONAL & OTHER	3,192,790	3,849,718	-656,927
TOTAL COSTS	42,266,063	42,341,006	-557,944
CAPITAL SPEND	650,000	650,655	-655
OPERATING SURPLUS	1,399,999	1,180,379	414,577
GIA PROGRAMME 1819 ADVANCE	-1,400,000	-1,400,000	0
SURPLUS	-1	-219,621	414,577

Cash Flow

The year-end cash position has remained robust in excess of £3M which leaves us in a strong position to fulfil our liabilities going into the next financial year and with no immediate concerns surrounding cash flow. The projected cash flow can be seen within the 2019/20 budget paper.

DRAFT MANAGEMENT REPORT

For the Twelve Months Ending 31 March 2019

	Year To Date				Remaining	Full Year	Prior Year
	Budget £	Actual £	Variance £	Var % %	Budget £	Forecast £	2017/18 £
FOI GRANT IN AID	3,750,000	3,750,000	0	-	0	3,750,000	3,750,000
NIS GRANT IN AID	500,000	500,000	0	-	0	500,000	0
REGULATORY PIONEERS FUND	117,414	279,000	161,586	-137.6%	161,586	117,414	0
eIDAS	46,000	46,000	0	-	0	46,000	45,000
DP FEE INCOME	39,560,868	39,255,623	305,245	0.8%	305,245	39,560,868	21,299,977
IPA INCOME	330,000	330,000	0	-	0	330,000	330,000
TPS MANAGEMENT INCOME	11,780	11,777	3	0.0%	3	11,780	0
BANK INTEREST	0	360	360	-	360	0	286
TOTAL INCOME	44,316,062	44,172,040	144,022	0.3%	144,022	44,316,062	25,425,263
RENT	941,082	941,081	1	0.0%	1	946,135	517,144
RATES & BUILDING INSURANCE	331,134	331,134	0	0.0%	0	350,545	285,122
SERVICE CHARGES	118,559	118,556	3	0.0%	3	136,123	54,125
CAR PARKING	42,046	42,046	0	-0.0%	0	41,845	23,126
HEAT & LIGHT	118,782	98,259	20,523	17.3%	20,523	118,782	106,285
WATER	22,000	21,559	441	2.0%	441	18,000	14,692
CLEANING	121,000	120,566	434	0.4%	434	119,000	85,226
SECURITY	79,000	77,942	1,058	1.3%	1,058	75,000	62,921
WASTE	8,100	5,884	2,216	27.4%	2,216	8,100	4,834
REPAIRS & MAINTENANCE	62,000	40,434	21,566	34.8%	21,566	62,000	64,558
KITCHEN	32,725	32,481	244	0.7%	244	32,725	31,726
REMOVALS	0	0	0	-	0	0	379
FURNITURE	240,610	100,962	139,648	58.0%	139,648	100,000	228,617
GENERAL EQUIPMENT	12,000	14,496	2,496	-20.8%	2,496	12,000	5,038
STATIONERY	74,550	67,359	7,191	9.6%	7,191	74,550	82,231
POSTAGE	57,817	57,878	61	-0.1%	61	56,600	54,827
DOCUMENT DESTRUCTION	6,100	6,160	60	-1.0%	60	6,100	5,750
OTHER	8,000	3,049	4,951	61.9%	4,951	8,000	6,932
OFFICE COSTS CAPITALISED	50,000	36,652	13,348	26.7%	13,348	50,000	220,005
TOTAL OFFICE COSTS	2,225,505	2,043,194	182,311	8.2%	182,311	2,115,505	1,413,528

DRAFT MANAGEMENT REPORT

For the Twelve Months Ending 31 March 2019

	Year To Date				Remaining	Full Year	Prior Year
	Budget £	Actual £	Variance £	Var % %	Budget £	Forecast £	2017/18 £
SALARIES	22,175,283	20,265,653	1,426,627	6.4%	1,909,630	22,175,283	13,621,744
ALLOWANCE	19,412	19,412	0	0.0%	0	19,412	0
OVERTIME	286,000	284,924	1,076	0.4%	1,076	286,000	176,064
PENSION	4,019,703	4,020,501	798	-0.0%	798	4,019,703	2,731,825
NATIONAL INSURANCE	2,041,300	2,041,300	0	-0.0%	0	2,041,300	1,327,693
AGENCY STAFF	0	1,415,087	1,415,087	-	1,415,087	0	507,926
INWARD SECONDMENT	396,244	452,876	56,632	-14.3%	56,632	396,244	108,884
OVERTIME INCOME	0	1,327	1,327	-	1,327	0	0
NON EXEC BOARD MEMBER	80,313	80,313	0	-	0	80,313	52,083
TOTAL STAFF COSTS	29,018,255	28,578,739	43,487	-0.1%	439,516	29,018,255	18,526,219
RECRUITMENT	760,000	578,767	181,233	23.8%	181,233	640,000	288,209
RELOCATION EXPENSES	0	0	0	-	0	0	4,459
HEALTH & SAFETY	45,000	82,948	37,948	-84.3%	37,948	45,000	60,464
APPRENTICESHIP LEVY	76,178	85,954	9,776	-12.8%	9,776	76,178	52,959
FURTHER EDUCATION	15,000	2,992	12,008	80.1%	12,008	15,000	2,445
ALL STAFF SKILLS DEVELOPMENT	278,000	295,604	17,604	-6.3%	17,604	278,000	178,311
SEMINARS AND CONFERENCES	30,000	16,071	13,929	46.4%	13,929	30,000	16,602
MANAGEMENT DEVELOPMENT	60,000	109,488	49,488	-82.5%	49,488	60,000	48,416
CSL E LEARNING	0	814	814	-	814	0	720
CSL WORKSHOPS	0	0	0	-	0	0	12,498
PROFESSIONAL QUALIFICATIONS	0	1,344	1,344	-	1,344	0	13,397
INFORMATION TECHNOLOGY	0	6,357	6,357	-	6,357	0	1,469
TOTAL TRAINING AND RECRUITMENT	1,264,178	1,180,339	83,839	6.6%	83,839	1,144,178	679,949

DRAFT MANAGEMENT REPORT

For the Twelve Months Ending 31 March 2019

	Year To Date				Remaining	Full Year	Prior Year
	Budget £	Actual £	Variance £	Var % %	Budget £	Forecast £	2017/18 £
HOSTING, WEB AND TELEPHONY	245,000	392,409	147,409	-60.2%	147,409	245,000	576,487
APP & DESKTOP SUPPORT	170,000	125,818	44,182	26.0%	44,182	170,000	687,112
MANAGED SERVICE SUPPORT	670,000	711,070	41,070	-6.1%	41,070	670,000	0
DOCUMENT STORAGE	20,000	19,019	981	4.9%	981	20,000	0
APPLICATION SUPPORT	275,000	312,055	37,055	-13.5%	37,055	275,000	0
SOFTWARE LICENSING	900,000	846,080	53,920	6.0%	53,920	900,000	571,564
SECURITY CONTRACT	80,000	47,284	32,716	40.9%	32,716	80,000	21,857
NOTIFICATION PRINTING	240,000	154,525	85,475	35.6%	85,475	240,000	240,332
MANAGED PRINT	80,000	46,965	33,035	41.3%	33,035	80,000	47,360
CARD PROCESSING CHARGES	170,000	152,474	17,526	10.3%	17,526	170,000	110,069
HARDWARE MAINTENANCE	200,000	81,555	118,445	59.2%	118,445	200,000	96,045
GOV SECURE INTERNET	0	5,700	5,700	-	5,700	0	176,495
TELEPHONY CALLS & BROADBAND	500,000	559,296	59,296	-11.9%	59,296	500,000	303,891
TOTAL IT COSTS	3,550,000	3,454,250	95,750	2.7%	95,750	3,550,000	2,831,212
ICE CRM DEVELOPMENT	545,000	631,771	86,771	-15.9%	86,771	545,000	464,215
FINANCE SYSTEM	0	0	0	-	0	0	11,455
DOCUMENT STORAGE SOLUTION	350,000	449,140	99,140	-28.3%	99,140	350,000	151,119
INFRASTRUCTURE	300,000	136,212	163,788	54.6%	163,788	300,000	749,574
HARDWARE & SOFTWARE UPGRADES	550,000	453,978	96,022	17.5%	96,022	550,000	226,073
PRE-PROJECT INVESTIGATIONS	5,000	37	4,963	99.3%	4,963	5,000	14,582
SANDFIELD KIT OUT	0	19,868	19,868	-	19,868	0	0
NPS RESOURCE	0	0	0	-	0	0	6,574
OTHER PROJECT WORK	200,000	254,532	54,532	-27.3%	54,532	200,000	122,028
PROJECT WORK CAPITALISED	600,000	614,003	14,003	-2.3%	14,003	600,000	527,318
TOTAL PROJECT SPEND	1,350,000	1,331,535	18,465	1.4%	18,465	1,350,000	1,218,302

DRAFT MANAGEMENT REPORT

For the Twelve Months Ending 31 March 2019

	Year To Date				Remaining	Full Year	Prior Year
	Budget £	Actual £	Variance £	Var % %	Budget £	Forecast £	2017/18 £
CAMPAIGNS, MEDIA RELATIONS & PR	280,000	224,672	55,328	19.8%	55,328	280,000	90,342
MARKETING CONSORTIUM INCOME	0	0	0	-	0	0	42,401
MEDIA MONITORING	80,000	88,230	8,230	-10.3%	8,230	80,000	21,472
DESIGN & PRINT	60,000	111,854	51,854	-86.4%	51,854	60,000	46,482
DISTRIBUTION	30,000	20,154	9,846	32.8%	9,846	30,000	38,938
SURVEYS	60,000	69,660	9,660	-16.1%	9,660	60,000	41,672
CONFERENCES GENERAL	265,000	270,337	5,337	-2.0%	5,337	265,000	134,825
CONFERENCE INCOME	50,000	51,918	1,918	-3.8%	1,918	50,000	41,164
ICON DEVELOPMENT	5,000	0	5,000	100.0%	5,000	5,000	0
STAFF EVENTS	32,000	13,023	18,977	59.3%	18,977	17,000	2,494
WEB MAINTENANCE	27,000	36,298	9,298	-34.4%	9,298	27,000	26,995
TOTAL COMMUNICATIONS	789,000	782,310	6,690	0.8%	6,690	774,000	319,655
BANK CHARGES	37,500	38,854	1,354	-3.6%	1,354	37,500	38,917
EXTERNAL AUDIT	33,000	30,000	3,000	9.1%	3,000	33,000	30,000
INTERNAL AUDIT	53,000	68,627	15,627	-29.5%	15,627	70,000	42,087
BAD DEBT WRITE OFF	0	0	0	-	0	0	930
TOTAL FINANCIAL COSTS	123,500	137,481	13,981	-11.3%	13,981	140,500	111,934
CAR HIRE	11,000	7,002	3,997	36.3%	3,997	11,000	5,927
EPCS CARD REBATE	0	2,554	2,554	-	2,554	0	1,406
TRAVEL HOSTING	0	5,715	5,715	-	5,715	5,000	5,099
TRAVEL UK	600,335	702,448	102,113	-17.0%	102,113	635,335	468,428
TRAVEL OVERSEAS	155,000	307,190	152,190	-98.2%	152,190	270,000	141,713
TRAVEL INCOME - UK	9,500	8,910	590	6.2%	590	11,500	1,690
TRAVEL INCOME - OVERSEAS	4,000	27,451	23,451	-586.3%	23,451	29,000	21,055
TOTAL TRAVEL	752,835	983,440	230,606	-30.6%	230,606	880,835	597,016

DRAFT MANAGEMENT REPORT

For the Twelve Months Ending 31 March 2019

	Year To Date				Remaining	Full Year	Prior Year
	Budget £	Actual £	Variance £	Var % %	Budget £	Forecast £	2017/18 £
LEGAL	1,193,000	973,651	219,349	18.4%	219,349	993,000	665,844
LEGAL COSTS RECOVERED	12,500	10,964	1,536	12.3%	1,536	12,500	101,305
LIBRARY & SUBSCRIPTIONS	82,940	77,137	5,803	7.0%	5,803	82,940	64,844
PROFESSIONAL MEMBERSHIPS	25,250	31,353	6,103	-24.2%	6,103	25,250	15,174
RESEARCH	190,000	156,048	33,952	17.9%	33,952	190,000	17,640
RESEARCH GRANTS FUND	320,000	252,302	67,698	21.2%	67,698	320,000	65,581
PROFESSIONAL SERVICES	1,377,000	2,355,529	978,529	-71.1%	978,529	2,151,000	368,413
OTHER	2,000	0	2,000	100.0%	2,000	2,000	0
STAFF RECOGNITION	15,100	14,662	438	2.9%	438	15,100	11,634
TOTAL LEGAL, PROFESSIONAL & OTHER	3,192,790	3,849,718	656,928	-20.6%	656,928	3,766,790	1,107,825
TOTAL COSTS	42,266,063	42,341,006	557,947	-1.3%	74,944	42,740,063	26,805,640
CAPITAL SPEND	650,000	650,655	655	-0.1%	655	650,000	747,322
OPERATING SURPLUS	1,399,999	1,180,379	414,580	50.2%	68,423	925,999	2,127,699
GIA PROGRAMME 1819 ADVANCE	1,400,000	1,400,000	0	-	0	1,400,000	1,400,000
SURPLUS	1	219,621	414,580	-	68,423	474,001	727,699

INFORMATION COMMISSIONERS OFFICE

For the Twelve Months Ending 31 March 2019

	Actual Apr-18 £ (000)	Actual May-18 £ (000)	Actual Jun-18 £ (000)	Actual Jul-18 £ (000)	Actual Aug-18 £ (000)	Actual Sep-18 £ (000)	Actual Oct-18 £ (000)	Actual Nov-18 £ (000)	Actual Dec-18 £ (000)	Actual Jan-19 £ (000)	Actual Feb-19 £ (000)	Actual Mar-19 £ (000)
Cash flows from operating activities												
Net Expenditure												
DP FEE INCOME	-1,901	-2,995	-3,583	-3,293	-3,241	-3,308	-4,335	-3,430	-2,449	-3,497	-3,394	-3,829
IPA INCOME	0	0	-83	0	0	-83	0	0	-83	0	0	-83
TPS MANAGEMENT INCOME	0	0	0	0	-4	-1	-1	-1	-1	-1	-1	-1
OFFICE COSTS	133	148	183	139	195	144	156	146	178	179	229	214
STAFF COSTS	1,752	1,849	1,926	2,091	2,763	2,347	2,499	2,467	2,473	2,657	2,611	3,626
TRAINING AND RECRUITMENT	49	188	82	128	145	60	120	129	85	118	14	63
IT COSTS	224	223	254	176	194	503	234	391	245	357	224	429
PROJECT SPEND	47	20	119	74	4	73	67	157	159	7	124	482
COMMUNICATIONS	169	30	56	38	45	41	36	56	106	59	64	84
FINANCIAL COSTS	21	3	3	13	22	13	6	14	6	14	15	9
TRAVEL	50	63	76	56	20	71	76	122	81	107	118	144
LEGAL, PROFESSIONAL & OTHER	364	351	159	323	186	275	201	319	371	506	294	500
Net expenditure total	906	-122	-808	-255	329	136	-940	369	1,171	506	298	1,637
Decrease in trade and other receivables	226	525	-486	450	46	502	620	-256	575	-209	38	922
Increase in trade payables	-43	-758	-272	743	-168	-839	-378	0	-945	711	-142	-1,746
Use of provisions	0	0	0	0	0	0	0	0	0	0	0	0
Net cash outflow from operating activities	1,090	-354	-1,565	938	208	-201	-698	113	801	1,008	194	813
Cash flows from investing activities												
Capital Spend	56	56	56	56	56	56	56	16	0	166	17	62
Profit/Loss on Disposal of Fixed Assets	0	0	0	0	0	0	0	0	0	0	0	0
Net cash outflow from investing activities	56	56	56	56	56	56	56	16	0	166	17	62
Cash flows from financing activities												
FOI GRANT IN AID	-313	-313	-313	-313	-313	-313	-313	-313	-359	-313	-313	-313
NIS GRANT IN AID	0	0	0	0	0	0	0	0	-100	-100	-100	-200
REGULATORY PIONEERS FUND	0	0	0	0	0	0	0	0	0	0	0	-279
Grant in Aid Programme	140	0	0	140	140	140	140	140	140	140	140	140
Net cash flows from financing activities	-173	-313	-313	-173	-173	-173	-173	-173	-319	-273	-273	-652
Net increase/(decrease) in cash and cash equivalents in the year												
Net increase/(decrease) in cash	973	-611	-1,822	821	91	-318	-815	-44	483	901	-62	224
Cash & equivalents- start of period	2,923	1,950	2,561	4,383	3,562	3,471	3,790	4,604	4,648	4,165	3,264	3,326
Cash & equivalents- end of period	1,950	2,561	4,383	3,562	3,471	3,790	4,604	4,648	4,165	3,264	3,326	3,102