

Paper for the

Social Work England Board

Sponsor

Linda Dale, Executive Director, People and Business Support

Author

Richard Simpson, Head of Finance and Commercial

Date

28 October 2022

Reviewed by

Colum Conway, Chief Executive

This paper is for

Discussion and Advising

Associated Strategic Objective

SO9: We will establish robust infrastructure, systems and processes that promote trust and confidence.

Impact: Risk Type and Appetite

Finance - Cautious

1. Summary

This paper provides an update on the management accounts for the period ending 30 September 2022 and an update on the procurement of digital services.

2. Action required

N/A

3. Commentary

Management accounts

A summary of the Management accounts for the year to 30 September 2022 can be found in Annex A.

Key highlights are:

- Year to date total expenditure, net of fee income, is £6,135k compared to the budgeted amount of £6,234k. This represents a year-to-date underspend compared to budget of £99k, which is close to our budget key performance indicator (KPI) of 1.5%.
- Year to date fee income is £4,847k, £47k higher than budget due to a larger number of overseas applicants than expected.
- Year to date expenditure is £10,982k compared to the budget £11,034k, an underspend of £52k, less than 0.5% of the year to date budget. This variance is mainly due to budget timings.
- Year to date capital expenditure is £1,156k, which is £281k lower than budget. This underspend is the result of a delay in the purchase of some IT equipment and the timing of Forge development expenditure.

Digital services procurement

Following approval of our digital services development business case we have submitted our technical specification to the Government Digital Services (GDS) for their approval. Once received we will issue the invitation to tender. As this is a complex procurement and critical to our digital services, we have taken the option to extend the contract with the existing supplier by 3 months in case of delay.

As means of an additional control we will bring a separate business case to ARAC if the cumulative expenditure passes £3m.

4. Conclusions and/or Recommendations

N/A

5. Annexes

Annex A – Management accounts as at 30 September 2022

Income and Expenditure Statement

Directorates	YTD Actual	YTD Budget	Variance	% Variance
Fee Income	(4,847,051)	(4,800,000)	47,051	(1.0%)
Executive Leadership Team				
Wages & Salaries	302,018	331,970	29,952	
Support	10,151	5,000	(5,151)	
Total	312,169	336,970	24,801	7.4%
People & Business Support				
Wages & Salaries	1,253,908	1,190,349	(63,558)	
Support	1,177,480	1,259,475	81,995	
Total	2,431,388	2,449,824	18,437	0.8%
Regulation				
Wages & Salaries	2,675,686	2,677,332	1,646	
Support	4,424,971	4,372,420	(52,551)	
Total	7,100,657	7,049,752	(50,905)	(0.4%)
Professional practice and external engagement				
Wages & Salaries	891,280	868,534	(22,746)	
Support	247,125	329,438	82,313	
Total	1,138,405	1,197,972	59,568	5.0%
Total Expenditure	10,982,619	11,034,519	51,900	0.5%
Expenditure net of Fee Income	6,135,568	6,234,519	98,952	1.6%
Depreciation/Amortisation	137,821	702,679	564,858	80.4%
Net Expenditure inc Depreciation	6,273,389	6,937,198	663,809	9.6%
Capital Expenditure	1,115,398	1,396,000	280,602	20.1%
Grand Total	7,388,786	8,333,198	944,412	11.3%

Balance Sheet

	£ Cost	£ Depreciation	£ N.B.V
Fixed Assets			
Buildings	1,774,931	(963,802)	811,129
IT Equipment	1,100,450	(792,398)	308,052
Fixtures & Fittings	318,851	(318,851)	0
Forge System (WIP)	7,126,229	0	7,126,229
	10,320,461	(2,075,052)	8,245,410
Current Assets			
Prepayments			291,140
Bank			7,057,187
			7,348,327
Current Liabilities			
Accruals			(1,770,463)
Deferred Income			(2,589,572)
Trade Payables			(64,955)
Payroll Control			(313,255)
			(4,738,245)
Working Capital (Current Assets less Current Liabilities)			2,610,082
Non-Current Liabilities			
Short Term - PFI Finance Lease Liability Additions			(510,632)
Lease liability payments			144,054
Lease interest			(2,016)
			(368,594)
TOTAL ASSETS and LIABILITIES			10,486,898
Taxpayers Equity			(10,486,898)