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## Finance Report - July 2024

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### Executive Summary

#### 1. Financial Performance (year to date)

- **Surplus:** actual position for the year to date stands at £1 million, closely aligning with the forecast.
- **Income:** actual income of £13.8 million, which is slightly above the forecast by £5k. International income has been particularly strong, driven by a higher-than-expected volume of international applications.
- **Expenditure:** Total expenditure is slightly below the forecast by £18k, with notable savings in payroll and property costs offsetting adverse variances in temporary staff and partners costs.

#### 2. Q1 Forecast vs. Budget

- **Full Year Surplus:** forecast surplus for the full year is £1.3 million, which significantly exceeds the budgeted surplus of £186k.
- **Income:** favourable variance of £1.6 million is anticipated, largely due to increased international scrutiny fees.
- **Expenditure:** full year expenditure forecast is £40.7 million, slightly above the budget by £434k. Key drivers include higher costs associated with partners and temporary staff.

#### 3. Major Projects and Investments

- The report highlights the ongoing review of capital expenditure for 2024-25, including alignment with the IT regulatory systems review. Total forecasted investments are £915k.

#### 4. Risks and Opportunities

- **Risks:** The report identifies several key risks, including the need to build up reserves and manage increased costs associated with international applications.
- **Opportunities:** Potential upside from additional international applications and investment income has been noted.

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## 5. Balance Sheet and Reserves

- **Reserves:** General reserves stand at £5 million, with realisable net assets at £1.6 million, reflecting about two weeks of operating expenditure. This highlights the importance of further building reserves to meet operational needs.

## 6. Employee Full Time Equivalentents (FTEs)

- The report indicates a slight shortfall in FTEs compared to the budget, mainly in the Fitness to Practise and Registrations departments, with an ongoing reliance on agency staff.

## Conclusion

The July 2024 report demonstrates a strong financial position with positive variances in both income and expenditure. However, it also underscores the need for careful management of risks, particularly around building reserves and controlling costs related to temporary staffing. Please refer to the full report for detailed insights and the appendices for in-depth financial data and variance analysis.

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Previous consideration	The Committee receives a finance report at each meeting.
Decision	The Committee is asked to note the report.
Next steps	An update will be provided to the Council in the Finance Report presented at its next meeting on 26 September 2024.
Strategic priority	Strategic priority 5: Build a resilient, healthy, capable and sustainable organisation
Financial and resource implications	As set out in the paper.
EDI impact and Welsh Language Standards	No direct implications.
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# July 2024 Finance Report

# PEOPLE AND RESOURCES COMMITTEE

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# Executive Summary

## Key Headlines

	July 2024 Year to Date (YTD)			Full Year		
	Actuals	Forecast	Variance	Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Total Income	13,775	13,770	5	40,439	41,993	1,554
Total Expenditure	12,753	12,771	18	40,253	40,687	(434)
<b>Surplus/(Deficit)</b>	<b>1,022</b>	<b>999</b>	<b>23</b>	<b>186</b>	<b>1,306</b>	<b>1,120</b>

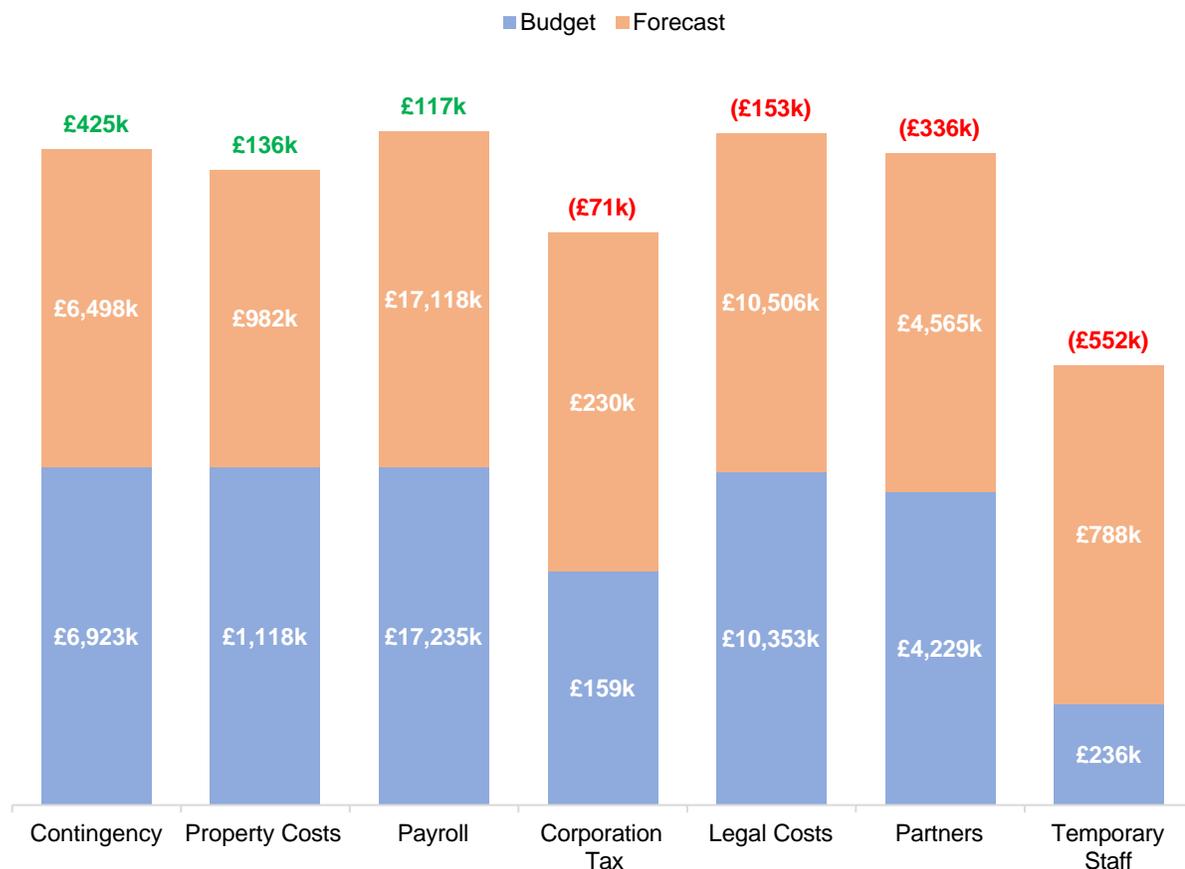
- Surplus for the year to date of **£1.0m** is aligned with the Q1 forecast.
- Q1 forecast completed with a projected surplus of **£1.3m** for the year (compared to budget surplus of **£186k**).
- International application volumes for July year to date totalled 2,926 compared to the budget of 2,072, which is an additional 854 applications (nearly 40% higher than budget). International Income has been increased in the Q1 forecast to reflect the upward trend in international applications (8,000 applications forecast for the full year vs prudent budget assumption of 6,000 applications).
- Increase in forecast expenditure of **£434k** compared to budget is due to associated direct costs of the increase in international applications as well as a further legal costs from prior year relating to cases expected to have been completed in March 2024.
- There are several short and long term risks that we are managing throughout the year, including the need to build up our reserves, partners target operating model and reducing our reliance on agency staff.

# Summary Figures – July 2024 YTD

	July 2024 YTD			Full Year		
	Actuals	Forecast	Variance	Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Registration Income	13,397	13,397	0	39,804	41,036	1,232
Other Income	378	373	5	635	957	322
<b>Total Income</b>	<b>13,775</b>	<b>13,770</b>	<b>5</b>	<b>40,439</b>	<b>41,993</b>	<b>1,554</b>
Payroll Costs	5,271	5,281	10	17,235	17,082	153
Other Staff Costs	612	619	7	863	1,415	(552)
Non-Payroll Costs	6,743	6,746	3	21,044	21,505	(461)
<b>Total Operating Expenditure</b>	<b>12,626</b>	<b>12,646</b>	<b>20</b>	<b>39,142</b>	<b>40,002</b>	<b>(860)</b>
Exceptional Costs	127	125	(2)	1,111	685	426
<b>Total Expenditure</b>	<b>12,753</b>	<b>12,771</b>	<b>18</b>	<b>40,253</b>	<b>40,687</b>	<b>(434)</b>
<b>Total Surplus/(Deficit)</b>	<b>1,022</b>	<b>999</b>	<b>23</b>	<b>186</b>	<b>1,306</b>	<b>1,120</b>

**Note.** 'Other Staff Costs' includes Temporary Staff, Training, Recruitment Fees and Other Employee Costs e.g. Pension Administration Costs.

# Budget vs Forecast Expenditure Variances (by Category)



Total forecast expenditure for the year of £40.7m, is **£434k** adverse compared to budget expenditure of £40.3m.

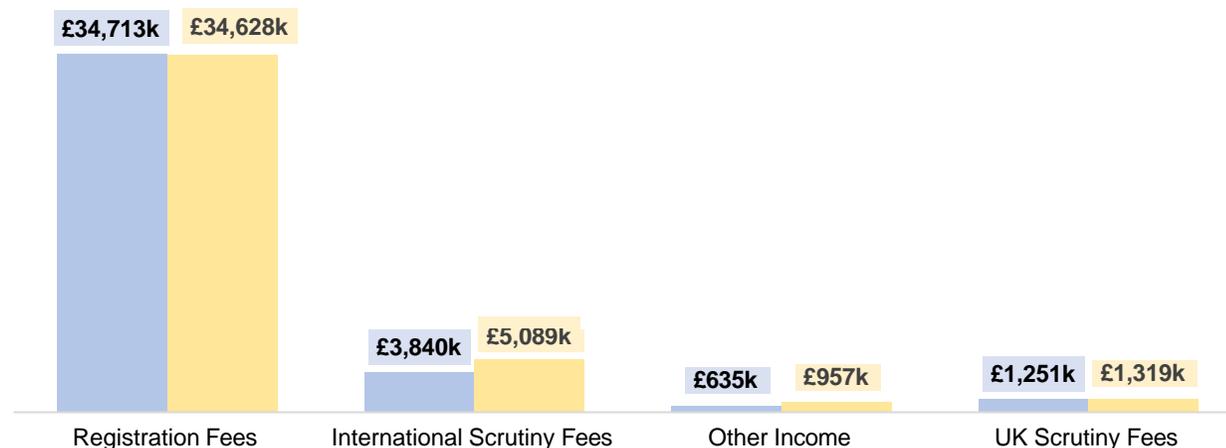
- **Contingency:** £425k favourable variance mainly due to reallocation of contingency funds to Fitness to Practise (FTP) and Finance.
- **Property Costs:** £136k favourable variance is mainly driven by reduction in building refurbishments costs that are unlikely to materialise this financial year.
- **Payroll:** £117k favourable due to unfilled vacant posts in Q1, with the majority sitting within FTP.
- **Corporation Tax:** £71k adverse as this is directly related to our projected increase in investment income.
- **Legal Costs:** £153k adverse, primarily related to timing of cases from a previous legal provider from the prior year. We had anticipated these cases would have been completed by March 2024, due to the complex nature of these cases, completion is now anticipated for 2024-25.
- **Partners:** £336k adverse variance mainly due to increase in international assessors' fees, which is in line with the projected increase in international applications (this is offset by income from international scrutiny fees).
- **Temporary Staff:** £552k adverse due to increase in FTP temporary staff to help cover existing operational pressures within the team (contracts extended to December 2024).

**Note.** To view the full year forecast, please refer to 'Appendix 3 – Expenditure July-24 YTD (by Category)'. For full breakdown of Contingency movement, please refer to 'Appendix 7 – Contingency'.

# Total Income – Budget vs Forecast (Full Year)

## Total Income

■ Budget ■ Forecast



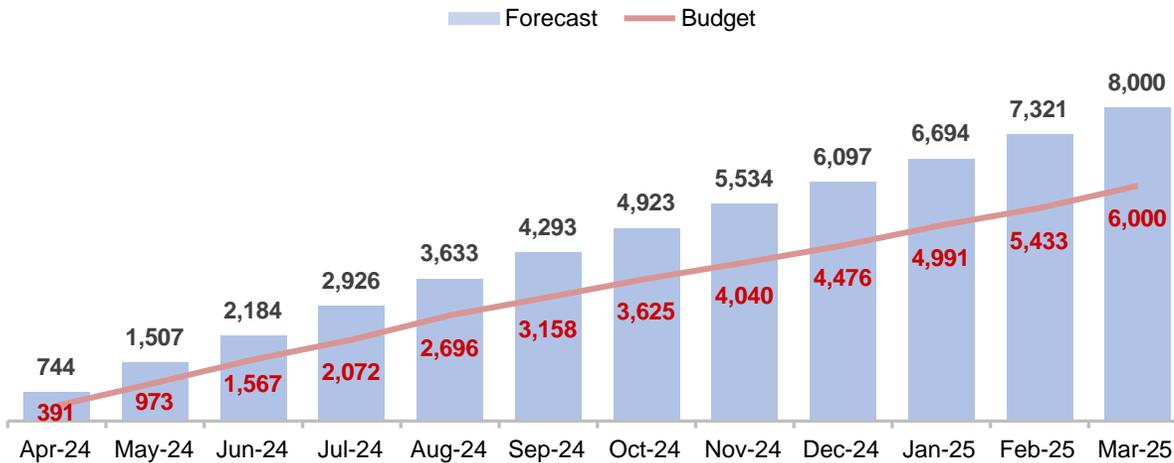
	Full Year		
	Budget	Forecast	Variance
	£'000	£'000	£'000
Registration Fees	34,713	34,628	(85)
International Scrutiny Fees	3,840	5,089	1,249
Other Income	635	957	322
UK Scrutiny Fees	1,251	1,319	68
<b>Total Income</b>	<b>40,439</b>	<b>41,993</b>	<b>1,554</b>

Total budgeted income for the full year was £40.4m compared to the Q1 forecast of £42.0m, which is around £1.6m favourable.

- **Registration Fees: £85k** adverse due to adjustment of our income to accurately reflect registration numbers and renewal cycles throughout the financial year (previously based on a straight-line basis).
- **International Scrutiny Fees: £1.2m** favourable due international applications expected to increase from our budgeted volume of 6,000 to 8,000 applications. Prudent assumptions were made on budgeted income and costs, to minimise the risk of further running down our reserves.
- **Other Income: £322k** favourable with recalculated investment income to reflect increase in principal amount held in our deposit accounts (budget assumed around £25m vs Q1 forecast of around £32m). This is driven by an increase in deferred income from renewals of physiotherapist and radiographer professions.
- **UK Scrutiny Fees: £68k** favourable variance due to an expected increase in UK applications (budget assumed 15,358 vs Q1 forecast of 16,192).

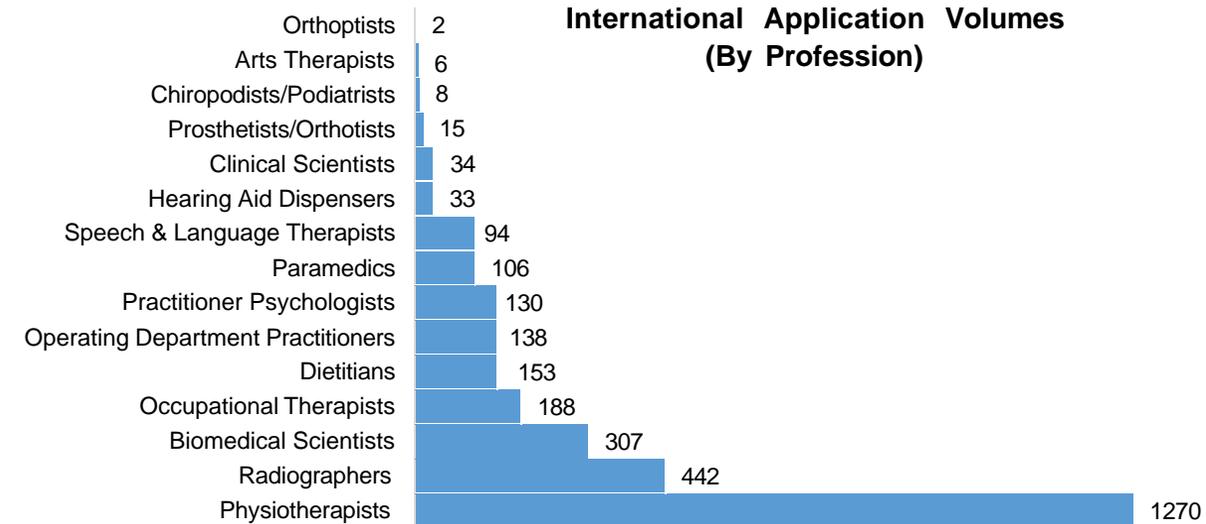
# International Income – July 2024 YTD

International Application Volumes 2024-25 (Running Total)



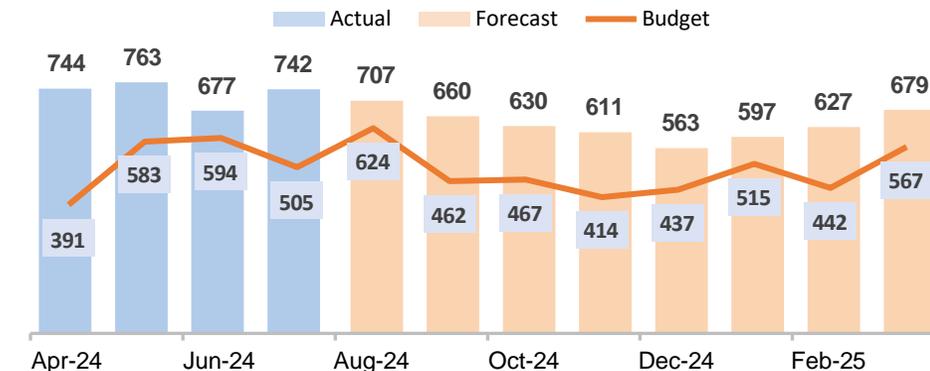
Note. Apr 24 – Jul 24 are actual volumes. The remaining months are actuals plus forecasted volumes

International Application Volumes (By Profession)



- **July 2024 Period Only:** Actual number of international applications of 742 was 237 higher than the budget of 505.
- **July 2024 YTD:** Actual number of international applications of 2,926 was 854 higher than budget of 2,072.
- **Full Year Forecast:** We have revised our international applications assumptions for the full year to around 8,000 in response to the current uptrend in applications compared to budget of 6,000 applications (approximately 33% increase). There is a potential opportunity of 500 additional applications generating a further approximate £320k additional income.

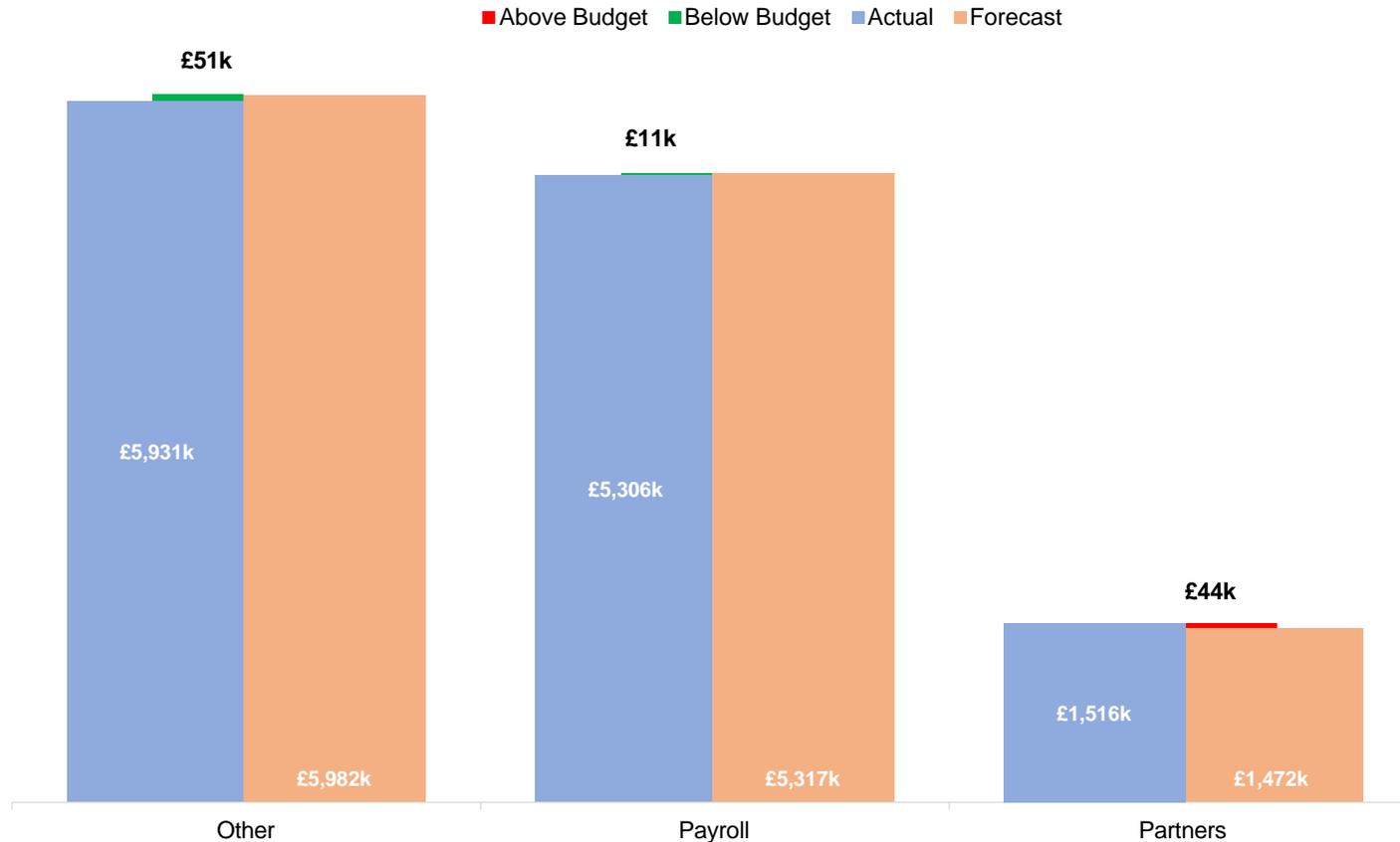
International Application Volumes (By Month)



Note. See 'Appendix 4 – International Applications' for a geographical view of International applications

**Financial vs Operational Reporting:** There will be a slight difference in the reported volumes of international applications, related to recognising applications based on received payments (financial) versus the number of applications processed (operational).

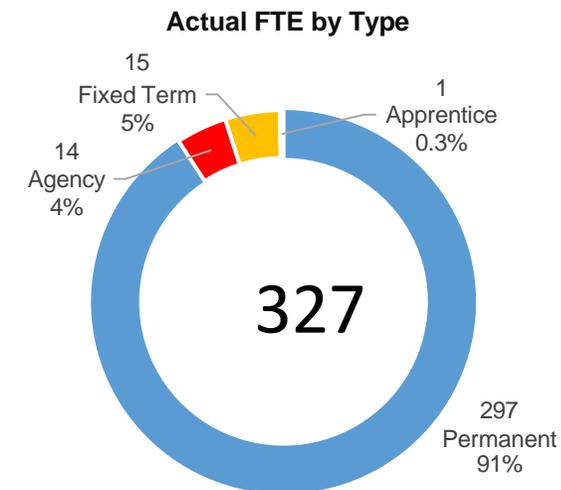
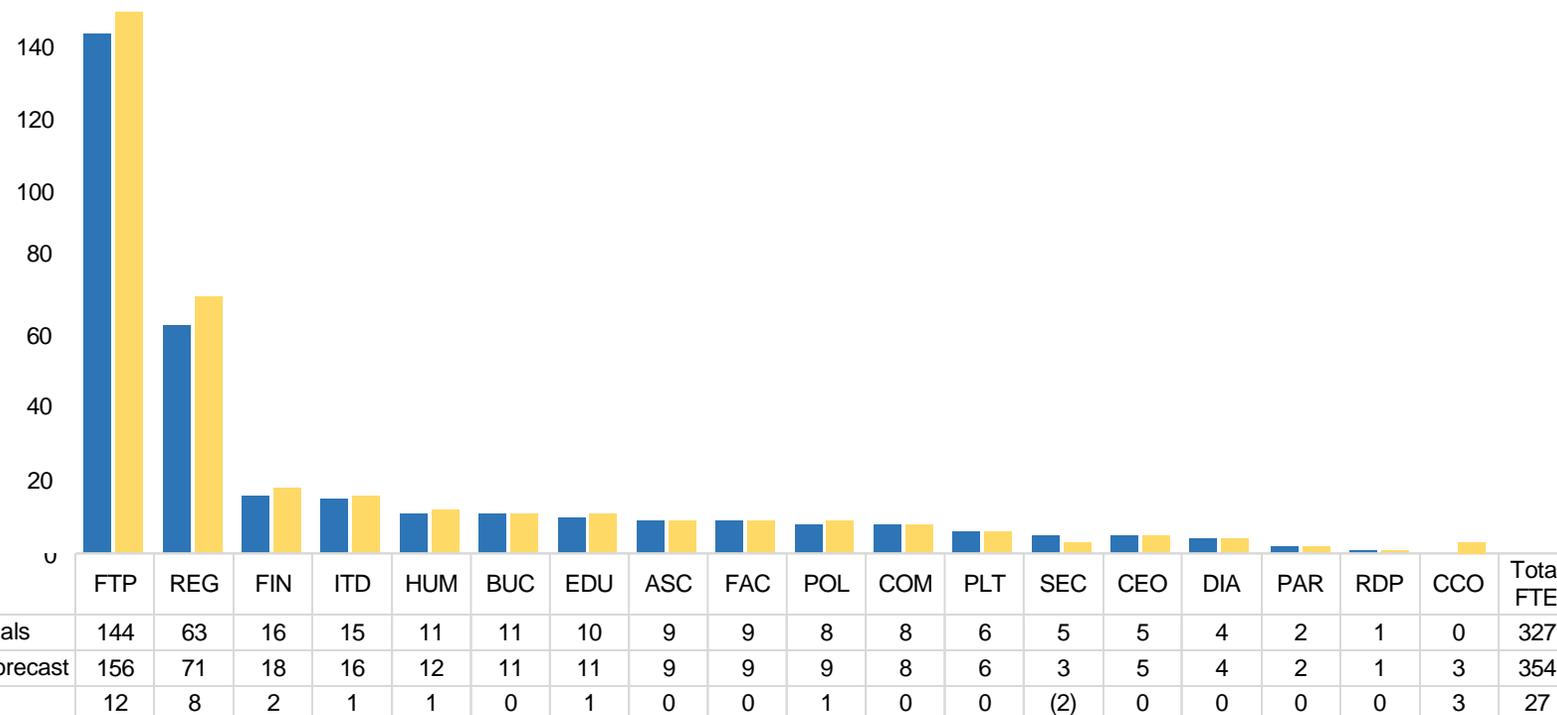
# Key Variances by Category – July 2024 YTD



- **Other Costs:** Underspend of **£51k** due to timing of BAU project spend.
- **Payroll:** Underspend of **£11k** is roughly in line with the Q1 forecast.
- **Partners:** Overspend of **£44k**:
  - **£18k** relates to more final hearings being completed than expected.
  - **£17k** timing variance in CPD assessments cost (expected to align with forecast at year end).

**Note.** To view key variances by department, please refer to 'Appendix 1.1 – Income & Expenditure (By Department)'.

# Employee FTEs as at 31 July 2024



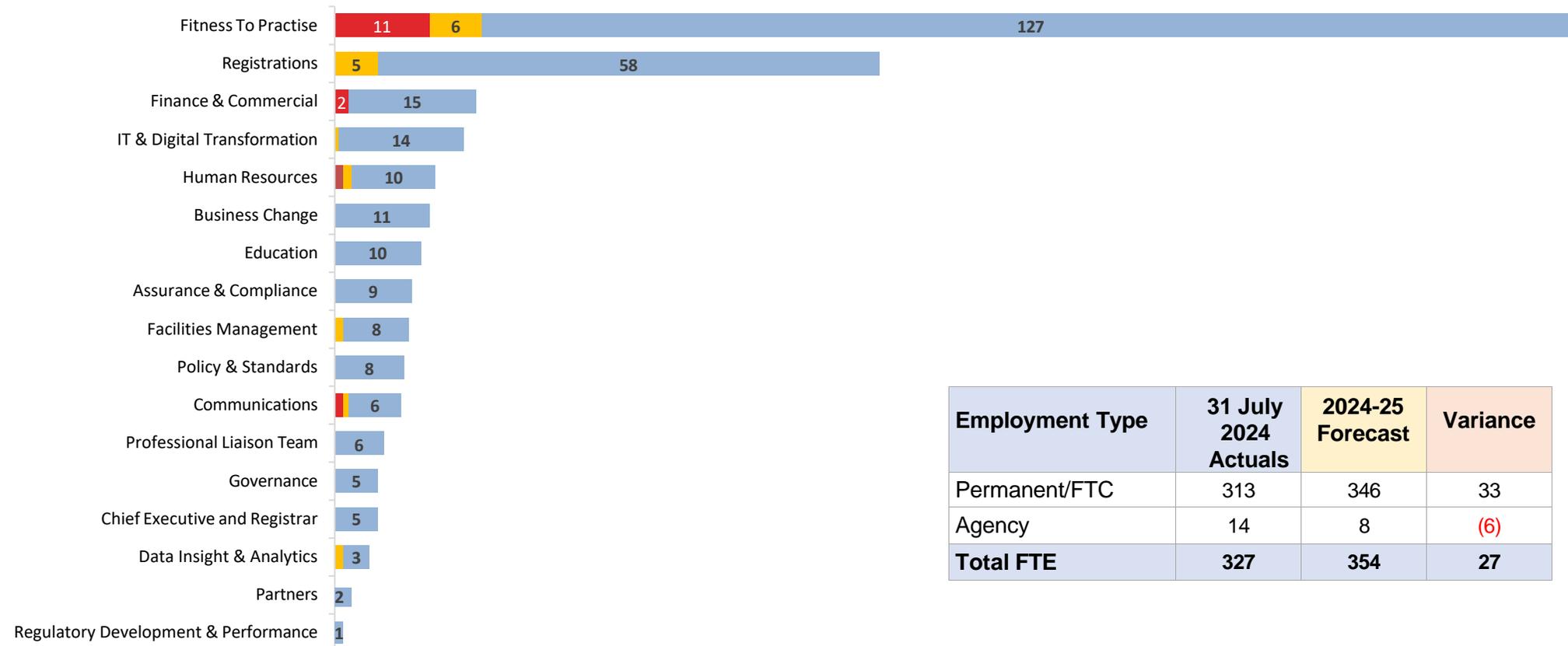
FTP - Fitness To Practise, REG - Registrations, FIN - Finance & Commercial, ITD - IT & Digital Transformation, HUM - Human Resources, BUC - Business Change, EDU - Education, ASC - Assurance & Compliance, FAC - Facilities Management, POL - Policy & Standards, COM - Communications, PLT - Professional Liaison Team, SEC - Governance, CEO - Chief Executive and Registrar, DIA - Data Insight & Analytics, PAR - Partners, RDP - Regulatory Development & Performance, CCO - Chair and Chief Executive Office

- **Fitness to Practise (FTP):** Unfilled vacant posts (expected to be filled from Q3 onwards).
- **Registration (REG):** New operating model in progress with vacant posts expected to be filled in Q3.
- **Governance (SEC) & Chair and Chief Executive (CCO):** Internal transfer of resources from Governance to Chair and Chief Executive.

# Employee FTEs as at 31 July 2024

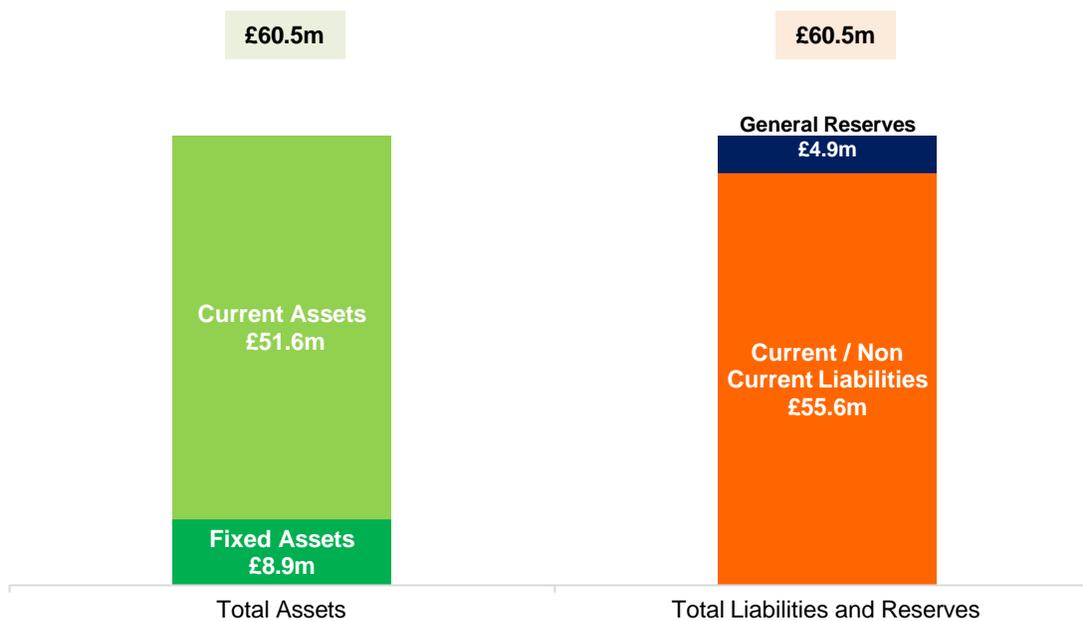
## Actual FTE by Employment Type

■ Agency ■ Apprentice ■ Fixed Term ■ Permanent



Employment Type	31 July 2024 Actuals	2024-25 Forecast	Variance
Permanent/FTC	313	346	33
Agency	14	8	(6)
<b>Total FTE</b>	<b>327</b>	<b>354</b>	<b>27</b>

# Balance Sheet and Reserves as at 31 July 2024 YTD

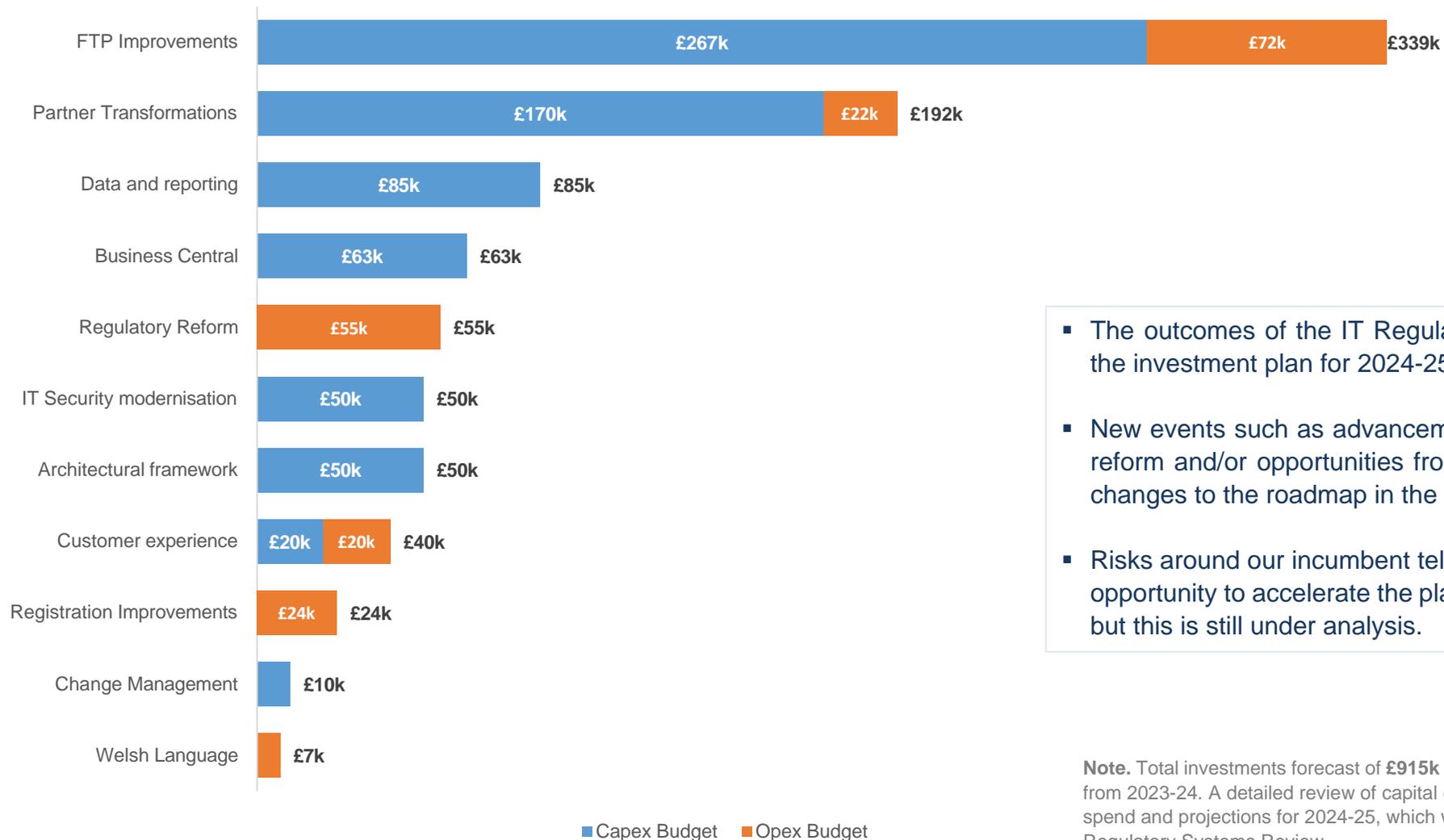


- **Current Assets:** mainly comprise of 'cash & cash equivalents' of around £30m and 'account receivables' of around £22m.
- **Liabilities:** mostly relate to 'deferred income' of around £51m as a result of registrants paying their fees in advance.
- **General Reserves (or Net Assets):** were around £5m. **Note.** Subject to change with potential year-end adjustments from the 2023-24 external audit.
- **Realisable Net Assets:** were around £1.6m, calculated by taking our reserves position of around £5m less our 'intangible assets' of around £3.3m. This represents about two weeks of our total operating expenditure. **Note.** The HCPC's reserves policy requires us to hold positive realisable net assets
- Balance sheet forecast still work in progress. This will be provided in the next financial report.
- To view the full balance sheet statement, please refer to 'Appendix 5 – Balance Sheet'.

	31 July 2024 Actuals	31 March 2025 Budget	Variance
	£'000	£'000	£'000
Opening Reserves	3,894	2,903	991
Revaluation reserve (Land and Buildings)	0	382	(382)
Surplus/(Deficit)	1,022	186	836
<b>GENERAL RESERVES</b>	<b>4,916</b>	<b>3,471</b>	<b>1,445</b>
<b>Realisable Net Assets</b>	<b>1,616</b>	<b>118</b>	<b>1,498</b>

**Operating Reserves (Realisable Net Assets):** are essentially the accumulation of surpluses without restrictions that are liquid (as opposed to invested in fixed assets). Having adequate reserves increases our ability to absorb or respond to temporary changes, such as the unanticipated event of significant unforecasted increases in expenditure and/or losses in income.

# Major Projects 2024-25 Budgeted Spend



- The outcomes of the IT Regulatory Systems review are aligned to the investment plan for 2024-25.
- New events such as advancements in the schedule for regulatory reform and/or opportunities from the partners review, may inform changes to the roadmap in the coming months.
- Risks around our incumbent telephony provider may create an opportunity to accelerate the plan for the omni-channel contact centre, but this is still under analysis.

**Note.** Total investments forecast of £915k includes an approved amount of 215k brought forward from 2023-24. A detailed review of capital expenditure is currently underway to capture latest spend and projections for 2024-25, which will take into account the proposals around the IT Regulatory Systems Review.

# Risks & Opportunities

## Risks

Low	Medium	High
<b>Regulatory Reform:</b> Project resource costs upon initiation (£1.3m)	<b>Legal Provisions:</b> Cover historic costs and claims (£1.8m)	<b>Data Storage Costs:</b> Increase due to growing number of users (£40k)
<b>Decrease in International Applications:</b> Current publications shows fall in overseas health and care worker visa applications (£ - TBC)	<b>Operating Reserves:</b> Build-up of depleted reserves (£1m)	<b>Telephone Services:</b> Potential changes to current contract agreement with Daisy due to Wavenet/Daisy merger (£ - TBC)
	<b>Partners Target Operating Model:</b> Implement tighter financial controls and process improvements (£0.5m)	
	<b>International Application Costs:</b> Associated costs with projected increase in volumes are covered through international scrutiny fees (£ - TBC)	

## Opportunities

Low	Medium	High
<b>BAU Project Spend:</b> Savings from conducting one research project instead of two (£ - TBC)	<b>Software Licence Costs:</b> Review of individual user requirements may reduce BAU costs (£ - TBC)	<b>Income Fee Increase:</b> Regular adjustments to fees to account for inflation and rising operational costs (£1m)
<b>AI Regulation and Technology Adoption:</b> Potential grant funding from Department for Science, Innovation and Technology (DSIT) of £10m for regulators (£ - TBC)	<b>Increase in International Income:</b> Additional international applications of around 500 for the year (£320k)	<b>Investment Income:</b> The HCPC holds significant cash balances, with the potential to earn additional interest income (£200k)

**Note.** Low/Medium/Risk categories relate to the likelihood of the risk or opportunity materialising.

# July 2024 Finance Report

# APPENDICES

# Appendix 1.1 – Income and Expenditure (By Department)

	July 2024 YTD			Full Year			Full Year Forecast	Notes
	Actuals	Forecast	Variance	Budget	Forecast	Variance	Actuals	
	£'000	£'000	£'000	£'000	£'000	£'000	%	
<b>Total Income</b>	<b>13,775</b>	<b>13,770</b>	<b>5</b>	<b>40,439</b>	<b>41,993</b>	<b>1,554</b>	<b>33%</b>	
Fitness to Practise	6,198	6,200	2	19,206	19,654	(448)	32%	1
Registrations	1,426	1,412	(14)	3,819	4,224	(405)	34%	2
IT and Digital Transformation	1,096	1,105	9	3,427	3,490	(63)	31%	
Finance & Commercial	558	533	(25)	1,356	1,532	(176)	36%	3
Chief Executive and Registrar	555	556	1	1,687	1,677	10	33%	
Facilities Management	385	394	9	1,566	1,355	211	28%	5
Depreciation	371	373	2	1,044	1,051	(7)	35%	
Human Resources	368	378	10	1,297	1,297	0	28%	
Communications	336	325	(11)	1,018	1,021	(3)	33%	
Business Change	246	255	9	823	823	0	30%	
Education	210	214	4	625	607	18	35%	
Assurance and Compliance	203	207	4	512	675	(163)	30%	4i
Policy and Standards	163	163	0	711	670	41	24%	
Governance	126	130	4	605	349	256	36%	4ii
Professional & Upstream Regulation	118	121	3	392	397	(5)	30%	
Partners	87	83	(4)	254	255	(1)	34%	
Chair, Council and Committees	73	76	3	249	258	(9)	28%	
Data Insight and Analytics	71	73	2	253	258	(5)	28%	
Regulatory Development and Performance	33	33	0	98	98	0	34%	
Major Projects	2	2	0	200	200	0	1%	
Chair and Chief Executive Office	0	13	13	0	111	(111)	0%	4iii
<b>Total Operating Expenditure</b>	<b>12,625</b>	<b>12,646</b>	<b>21</b>	<b>39,142</b>	<b>40,002</b>	<b>(860)</b>	<b>32%</b>	
<b>Operating Surplus/(Deficit)</b>	<b>1,150</b>	<b>1,124</b>	<b>26</b>	<b>1,297</b>	<b>1,991</b>	<b>694</b>	<b>58%</b>	
Transformation costs	36	36	0	179	179	0	20%	
Contingency	0	0	0	773	276	497	0%	
Corporation Tax	92	89	(3)	159	230	(71)	40%	
<b>Total Expenditure</b>	<b>12,753</b>	<b>12,771</b>	<b>18</b>	<b>40,253</b>	<b>40,687</b>	<b>(434)</b>	<b>31%</b>	
<b>Total Surplus/(Deficit)</b>	<b>1,022</b>	<b>999</b>	<b>23</b>	<b>186</b>	<b>1,306</b>	<b>1,120</b>	<b>78%</b>	

- Note 1: £448k** adverse variance due to:
  - Increase FTP temporary staff to help cover existing operational pressures within the team (two months of costs initially budgeted for 4 individuals, around ten temporary staff now expected to remain until December 2024).
  - Additionally cost pressure related to timing and complexity of legal cases related to a previous legal provider. The cases were anticipated to have been resolved by March 2024 and are now anticipated for completion in 2024-25.
- Note 2: £405k** adverse variance mainly due to increase in international assessors' fees associated with the increase in international application volumes (8,000 applications forecasted for the full year vs prudent budgeted assumption of 6,000 applications).
- Note 3: £176k** adverse variance mainly due to increase in bank charges associated with the increase in international applications (around £70k) and additional insurance cover for Cyber Security (around £32k).
- Note 4:** Reallocation of resources across Governance, Assurance & Compliance and Chair and Chief Executive Office departments. Overall net variance across the three departments is **£18k** adverse.
- Note 5: £221k** favourable variance is mainly driven by reduction in building refurbishments costs that are unlikely to materialise this financial year.

# Appendix 1.2 – Income and Expenditure (Prior Period)

	Actuals June 2024	Budget June 2024	Variance
	£'000	£'000	£'000
<b>Total Income</b>	<b>10,124</b>	<b>9,784</b>	<b>340</b>
Fitness to Practise	4,492	4,704	212
Registrations	1,077	926	(151)
Facilities Management	347	416	69
Depreciation	283	276	(7)
Communications	217	258	41
Assurance and Compliance	148	128	(20)
Policy and Standards	127	178	51
Governance	105	149	44
Major Projects	2	50	48
IT and Digital Transformation	834	857	23
Chief Executive and Registrar	423	420	(3)
Finance & Commercial	396	409	13
Human Resources	316	319	3
Business Change	184	206	22
Education	158	169	11
Professional and Upstream Regulation	89	97	8
Partners	63	62	(1)
Chair, Council and Committees	52	64	12
Data Insight and Analytics	49	61	12
<b>Total Operating Expenditure</b>	<b>9,387</b>	<b>9,774</b>	<b>387</b>
<b>Operating Surplus/(Deficit)</b>	<b>737</b>	<b>9</b>	<b>728</b>
Transformation costs	36	45	9
Corporation Tax	68	40	(28)
<b>Total Expenditure</b>	<b>9,491</b>	<b>9,859</b>	<b>368</b>
<b>Total Surplus/(Deficit)</b>	<b>633</b>	<b>(75)</b>	<b>708</b>

# Appendix 2 – Key Variances by Department (July 2024 YTD)



- **Registration: £15k** adverse variance mainly due to international assessors' costs (covered by the international scrutiny fees income).
- **Human Resources: £10k** underspend mainly due to the timing on departmental training.

## Appendix 3 – Expenditure July 2024 YTD (by Category)

	Jul-24 YTD			Full Year	Full Year Forecast
	Actuals	Forecast	Variance	Forecast	% of Actuals
	£'000	£'000	£'000	£'000	%
Payroll	5,306	5,317	11	17,118	31%
Legal Costs	3,427	3,427	0	10,506	33%
Partners	1,516	1,472	(44)	4,565	33%
IT Costs	718	718	0	2,169	33%
Temporary Staff	448	448	0	788	57%
Depreciation	376	377	1	1,081	35%
Staff Related Costs	164	170	6	627	26%
Other Costs	133	166	33	1,192	11%
Property Costs	128	138	10	430	30%
Communication Costs	113	113	0	396	29%
Office Services	110	103	(7)	552	20%
Professional Fees	109	115	6	623	17%
Utilities	102	106	4	348	29%
Corporation Tax	92	89	(3)	230	40%
Travel and Subsistence	11	12	1	62	18%
<b>Total Expenditure</b>	<b>12,753</b>	<b>12,771</b>	<b>18</b>	<b>40,687</b>	<b>31%</b>

Note. 'Other Costs' includes Bank Charges and Contingency.

# Appendix 4 – International Applications (Geographic Location)

**International Application Volumes  
(By Geographic Location)**



## Appendix 5 – Balance Sheet (as at 31 July 2024)

	31 Jul 24 Actuals	31 Mar 25 Budget	Variance
	£'000	£'000	£'000
Property, Plant and Equipment	5,565	6,079	(514)
Intangible Assets	3,300	3,353	(53)
<b>Total Fixed Assets</b>	<b>8,865</b>	<b>9,432</b>	<b>(567)</b>
<b>Current Assets</b>			
Trade and Other Receivables	22,383	11,924	10,459
Cash and Cash Equivalents	29,258	14,556	14,702
<b>Total Current Assets</b>	<b>51,641</b>	<b>26,480</b>	<b>25,161</b>
<b>Total Assets</b>	<b>60,506</b>	<b>35,912</b>	<b>24,594</b>
<b>Current Liabilities</b>			
Deferred Income	51,132	27,665	23,467
Trade and Other Payables	4,376	4,741	(365)
<b>Total Current Liabilities</b>	<b>55,508</b>	<b>32,406</b>	<b>23,102</b>
Non-current Liabilities	82	35	47
<b>Total Liabilities</b>	<b>55,590</b>	<b>32,441</b>	<b>23,149</b>
<b>NET ASSETS</b>	<b>4,916</b>	<b>3,471</b>	<b>1,445</b>
Opening Reserves	3,894	2,903	991
Revaluation Reserves	0	382	(382)
Surplus/(Deficit)	1,022	186	836
<b>GENERAL RESERVES</b>	<b>4,916</b>	<b>3,471</b>	<b>1,445</b>

Note. Balance sheet forecast still work in progress. This will be provided in next financial report.

# Appendix 6 – Key Contracts (July 2024 YTD)

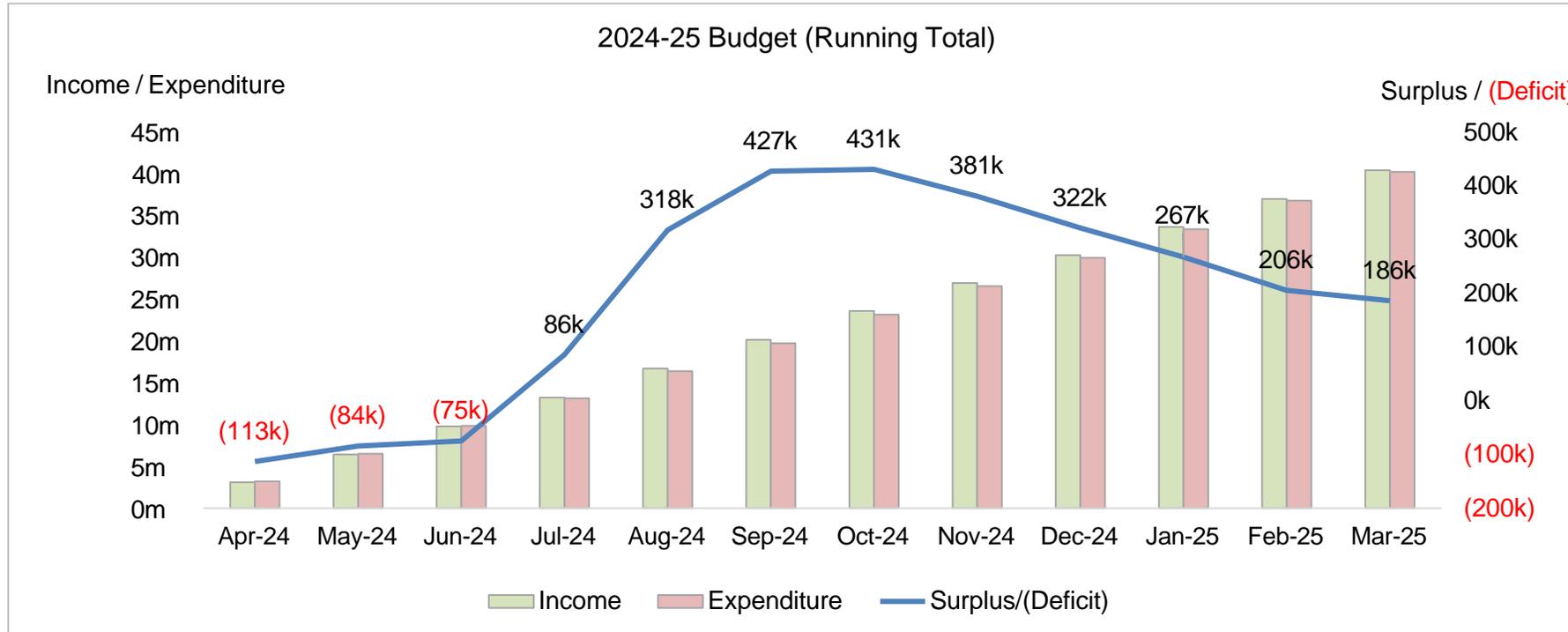
Department	Description of service	Contract Value	Contract Length	Supplier	Procurement Route
Facilities Management	Sustainability Advisory Agreement	£36,930	12 months	Acclaro Advisory Ltd	Finalising Contract Documents
Finance	PTX Core & BACS DDM Subscription	£38,000	12 months	Bottomline Technologies Ltd	Contract Variation Order
Fitness to Practise	Case Management & Legal Services	£5,760,000	2 years	Blake Morgan	Contract Extension Process
Fitness to Practise	Case Management & Legal Services	£5,760,000	2 years	Capsticks	Contract Extension Process
Fitness to Practise	Recording & Transcription Services	£375,000	18 months	MWC and Ubiquis	Contract Extension Process
Fitness to Practise	Service User Engagement	£20,000	12 months	The Patients Association	Contract Renewal Process
Information Technology	Website Content Management System and Hosting	£219,455	2 years	Optimizely AB	SSR/Direct Award
Information Technology	HCPC Service Desk Ticket Management Software	£73,425	3 years	SolarWinds	SSR/Direct Award
Information Technology	Hypercare Support for the Education System	£25,920	12 months	Synchronicity Technology Solutions Ltd	SSR/Direct Award
Information Technology	Check Point Support Services	£30,000	12 months	Camwey Technology	SSR/Direct Award
Governance	Physical and Digital Storage Services	£20,000	12 months	Deepstore Records Management	Direct Award Process

# Appendix 7 – Contingency (as at 31 July 2024)

Description	£'000
General	176
Ring-Fenced Annual Partners & Pension	597
<b>Total Budgeted Contingency</b>	<b>773</b>
Online Register (One-off)	(15)
Cyber Security Cost	(32)
FTP Temporary Staff Costs	(450)
<b>Total Contingency Remaining</b>	<b>276</b>

**Note.** The previously allocated ringfenced contingency of £597k for partners' ongoing holiday pay and pension costs for 2024-25, has been deferred to the 2025-26 financial year. This deferral has effectively increased the general contingency pot, allowing for the reallocation of funds to cover these critical expenses without impacting the overall financial stability.

# Appendix 8 – 2024–25 Budget Profile



- The 2024-25 Budget assumes a deficit position in the first quarter, followed by a steady surplus trend for the remainder of the year.
- Income is budgeted to be lower for Q1 compared to later periods, whilst expenditure remains relatively consistent across the periods. The budgeted income for 2024-25 was profiled based on prior year actuals.
- The general trend seen in prior years suggests an increase in income from Q2, due to it being a busier period with greater influx of UK graduate applications, reaching its peak around October. This is followed by a decline in applications from November.

# Appendix 9 – 2024–25 Forecast Profile

2024-25 Forecast (Running Total)

Income / Expenditure

Surplus / (Deficit)

