

From: [Brankin, Bernie](#)
To: [Cooper, Trevor](#)
Cc: [Partridge, Jeff](#); [Parkhill, David](#)
Subject: FW: March Outturn and Forecast Outturn
Date: 11 April 2013 11:31:10
Attachments: [March 2012-13 Actual Forecast Outturn.DOCX](#)
[DETI Forecast Outturn March 2013 - Return to DFP.XLS](#)
Importance: High

Trevor

NITB table has been added.

Bernie

Bernie Brankin

Finance Branch

Department of Enterprise, Trade & Investment

Netherleigh

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Please consider the environment - do you really need to print this e-mail?

From: Parkhill, David
Sent: 11 April 2013 11:12
To: Brankin, Bernie
Cc: Partridge, Jeff
Subject: FW: March Outturn and Forecast Outturn

Bernie,

NITB Table added after the Invest table.

David

From: Brankin, Bernie
Sent: 10 April 2013 18:03
To: Cooper, Trevor
Cc: Partridge, Jeff; Parkhill, David
Subject: FW: March Outturn and Forecast Outturn

Trevor

Please consider. I will add an NITB table tomorrow morning.

Bernie

Bernie Brankin

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From: Partridge, Jeff
Sent: 10 April 2013 16:22
To: Brankin, Bernie
Cc: Parkhill, David
Subject: March Outturn and Forecast Outturn

Bernie,

Please see attached draft note on March Outturn for your consideration. It has been compiled in a similar format to the note that issued at the same stage last year.

Jeff

Copy Distribution List Below

From: Bernie Brankin

Date: 11 April 2013

To: 1. Trevor Cooper
2. Colin Lewis
3. David Sterling

**MARCH ACTUAL OUTTURN & FORECAST OUTTURN FOR THE
REMAINDER OF THE 2012/13 FINANCIAL YEAR**

Issue: DFP require Permanent Secretaries and Finance Directors to sign off on actual and forecast outturn to ensure accuracy of information.

Timing: An uncleared version was issued to DFP last night.

Need for referral to the Executive: No need for referral to the Executive.

Presentational Issues: Treasury, the Enterprise Trade and Investment and Finance and Personnel Committees take a keen interest in this return.

Freedom of Information: Fully disclosable.

Programme for Government Implications Divisions, and NDPBs have not indicated any PFG implications

Financial Implications: At this stage, DETI is forecasting Resource underspending amounting to circa 1% of the total DETI Resource Budget and Capital underspending amounting to 7.2 % of the total DETI Capital budget. The Capital underspend relates to a net forecast share receipt within Invest NI as a consequence of a company takeover, for which Invest NI had no control over the timing, and underspend in Titanic Walkways projects.

Legislation Implications: Not Applicable.

Statutory Equality: Not Applicable

Recommendation: That you consider and clear the return.

Background

1. DFP require Permanent Secretaries and Finance Directors to sign off on monthly actual and forecast outturn to ensure accuracy of information.
2. I attach the March actual outturn and forecast outturn for the remainder of the 2012/13 financial year collated with input from Heads of Division and NDPB CEOs.
3. It is the Minister's position that the Titanic issue should be dealt with separately at provisional and final outturn. DFP is fully aware of the Titanic requirement and has included the £18.02m in an Urgent Procedures Paper to ensure the Block retains funding to cover this amount.
4. Actual DEL outturn for March 2013 was £39.8m compared to forecast outturn of £39.9, an underspend of £0.1m versus the previous forecast March spend. This comprises various minor underspends across all areas of DETI.
5. This forecast indicates that at this early stage, DETI's Provisional Outturn performance for 2012/13 is as follows:

Expenditure Category	Final Plan / £000	Net Expenditure / £000	Under (Over) spend / £000	%
Resource	185,088	183,264	1,824	99.0
Capital	29,351	27,233	2,118	92.8
Total DEL	214,439	210,497	3,942	98.2
AME	23,565	30,535	(6,970)	129.6

Overall Resource Position (including DETI and all NDPBs)

6. March forecasts indicate overall DETI Resource DEL underspending of approximately £1.8m, representing 1% of the DETI Resource DEL budget allocation. Resource underspending includes the following:
 - Administration and Resource Administration underspend of £0.5m representing 2% of Admin budgets comprising:-
 - £108k (0.5% of the salaries budget) less than anticipated costs of the 2012 pay award. The forecast cover for this award had been arrived at on foot of a detailed assessment commissioned from NISRA of the DETI specific impact of the pay award;
 - £228k underspend in staff salaries due to movements and vacant posts which business areas had expected to be filled in the period December 2012 to March 2013. £82k of this underspend relates to HSENI;

- £184k GAE due to delays in research, consultancy and gateway expenditure experienced by a number of business areas. The projected GAE expenditure was challenged by Finance Branch and escalated to Grade 5 and Grade 3 levels within the respective commands;
 - Gross Programme underspending totalling £0.4m, mainly comprising an EU Exchange rate gain due to earlier than anticipated settlement of an EU Claim where the Commission had advised that this claim would be paid in the 2013/14 financial year. In addition there is a range of minor underspending across a number of business areas, offset by minor agreed overspending;
 - Invest NI have forecast to underspend £0.75m, which includes £0.25m allocated for the Jobs and Economy Initiative as there is a long lead in time to recruit 4 DPs as Innovation Procurement Executives, £0.2m Admin and £0.3m Resource;
 - An agreement has also been reached with DFP to permit TIL to overspend by £0.22m in relation to “Backin Belfast” marketing, to be offset by a corresponding underspend against NITB; and
 - NITB have indicated that they are still expecting to fully utilise all but £0.1m of the remainder of their P&M budget.
7. Including the write down of the Titanic Debtor, Provisional Outturn will report an overspend of £16.2m, representing 8.7% of the DETI Resource DEL budget allocation. With the agreement of OFMdfM and DFP, budget has been retained at Block level for Titanic.

Overall Capital Position (including DETI and all NDPBs)

8. March forecasts indicate overall DETI Capital DEL underspending of approximately £2.1m, representing 7.2% of the DETI Capital DEL budget allocation. This is mainly due to net unplanned receipts of £1.7m in Invest NI and NITB underspending by £0.38m against Titanic Quarter walkways.
9. The unanticipated £3.3m receipt within Invest NI was due to a company takeover and unbudgeted receipts are treated as underspending. This £3.3m has been offset by Invest NI through accelerating Capital spending to reduce its Capital underspending to £1.7m. Excluding this net share receipt, as it is outside DETI/Invest NI's control, there would be forecast Capital underspending of 1.2%.
10. March Forecast Outturn was reported to DFP on Tuesday 9 April 2013. However, it is recognised that March Forecast Outturn may not contain information on the year end position which is as accurate as business areas would have wished due to the proximity of the return date to the end of the financial year. In recognition of this, and in keeping with the practice of recent years, it is expected that DFP will give departments the opportunity to re-state the March Forecast Outturn position at the beginning of May 2013.

2012/13 AME Budgets

11. AME allocations are made in recognition that expenditure is demand led or/and exceptionally volatile in a way that could not be controlled by the department. The AME outturn is not reported by DFP when reporting Departments provisional outturn.
12. There is a net £7m pressure against AME budgets as a result of an £8m additional requirement against the Invest NI Revaluation of Assets budget due to revised valuation estimates from DFP's Land and Property Services, and a £1m easement from Energy Division relating to a lower than anticipated uptake in the Renewable Heat Incentive Scheme.
13. DFP does not expect this to become an issue, and have advised DETI to include the adjustments in the AME forecast outturn profiles.

Invest NI Performance

14. Invest NI's performance for 2012/13 is detailed below:

Expenditure Category	Final Plan / £000	Net Expenditure / £000	Under (Over)spend / £000	%
Other Resource	107,982	107,232	750	99.3
Capital	32,079	30,351	1,728	94.6
Total DEL	140,061	137,583	2,478	98.2
AME	16,000	24,000	(8,000)	150.0

NITB Performance

15. The Northern Ireland Tourist Board performance for 2012/13 is as follows:

Expenditure Category	Final Plan / £000	Net Expenditure / £000	Under (Over)spend / £000	%
Other Resource	21,508	21,166	342	98.4
Capital	6,350	5,970	380	94.0
Total DEL	27,858	27,136	722	97.4
AME	1,500	1,500	0	100.0

Note: £220k of the Resource underspend will offset TIL's agreed overspend. Excluding this £220k, Resource forecast outturn would be 99.4%

Conclusion

16. I recommend that you sign off on this return to DFP.

Bernie Brankin

cc: Jeff Partridge
David Parkhill