

For information

Cash expenditure report for the period April 2015 to March 2016

Agenda: 16
HEFCW/16/81

Disclosable

22/09/2016

1 Issue

- 1.1 This paper informs Council of the financial monitoring of programme and running costs cash expenditure for the period April 2015 to March 2016.

2 Corporate Planning Implications / Rationale for paper

- 2.1 HEFCW's Framework Document with the Welsh Government (WG) places a requirement upon HEFCW to maintain financial and management accounting systems to enable a full review of costs and cash flow to be prepared against agreed budgets. This review is carried out and reported to Council quarterly.

3 Recommendations

- 3.1 The Council is invited to:
- i. note the fourth and final progress report on actual performance against cash profile for the 2015-16 financial year.

4 Timing for decisions

- 4.1 The Council is not required to make any decision as this paper is for information purposes only.

5 Council members' interests

- 5.1 No conflicts of interests have been declared in advance of the meeting.

6 Further information

- 6.1 Contact Nick Williams (nick.williams@hefcw.ac.uk)

7 Programme 2015-16

- 7.1 Programme funds cash expenditure between April 2015 and March 2016 was £137.6m which was £1.9m or 1.4 percent higher than the previous forecast. The higher level arose as £4.28m of payments that are available in the Academic Year, were brought forward into Financial Year 2015-16 in order to stay within the permitted year-end cash threshold.

8 Running Costs 2015-16

- 8.1 Cash spend in FY 2015-16 was £2,685k which was £198k or 6.8 percent lower than the previous re-profile. The under-spend has been regarded as committed funds and has been carried forward into FY 2016-17. The outcome is that the actual cash balance held at 31 March 2016 was £1,393k which was higher than predicted in the previous re-profile.

9 Financial year 2015-16 closing cash balance

- 9.1 The total closing cash balance at 31 March 2016 was £1.6m.

10 Payment days

- 10.1 HEFCW is operating under the WG target to pay suppliers of goods and services within ten working days of receiving a valid invoice. In the period April 2015 to March 2016 HEFCW has paid 95.1 percent of invoices within ten working days, with an average payment time of 2.1 days. Prior year comparator is 96.5 percent and an average of 1.68 days.

11 Financial implications

- 11.1 This paper notes that the WG cash threshold target of two percent of total funds available at the end of FY 2015-16 was not exceeded.

12 Communications implications

- 12.1 This report has no communications implications as it is an internal report on HEFCW's Programme and running costs funds for the prior financial year.

13 Diversity and Equal Opportunities implications

- 13.1 This paper has no implications for age, disability, marital/civil partnership, maternity/pregnancy, race, religion or belief, sex, sexual orientation, any other protected characteristic or the Welsh language.

14 Risk Assessment

Risk	Action to address risk
HEFCW might exceed its maximum permitted cash balance.	Officers' proposals for additional expenditure were agreed for FY 2015-16 which enabled HEFCW to remain within the maximum permitted cash balance.

