

Annex A – Financial Information

One-off costs associated with the transfer

The *accommodation costs* associated with the transfer will consist largely of adaptations to existing premises to enable them to operate as fully-featured hubs under the new structure, and to house additional members of staff.

A programme of capital works has been identified at the three sites as follows:

Fulford

- Upgrades to the toilet facilities in the Caretaker's House to make them DDA compliant
- New entrance lobby in caretakers house
- New Interview Room
- Adaptations to Fulford Youth Centre to provide two interview rooms
- Professional Fees

Estimated total cost: £57-65k

Moor Lane

- Upgrades to toilet facilities
- Conversion and fitting out of office/storage space
- Provision of a cycle shelter
- Professional Fees

Estimated total cost: £27-30k

Kingswater

- Remodelling the existing accommodation
- Professional Fees
- Costs of temporarily housing the existing staff

Estimated total cost c £75k

Estimated Total cost £159-£170k

This will be financed from the following sources:

Transitional funds already made available by Connexions:	£50k
Connexions Transition Fund within the Youth Service Budget	£36k
Youth Service capital underspend that we wish to reallocate	£31k
Additional Connexions money allocated from their own underspend	£20k
Total	£137k

As the total cost of the desirable works exceeds the funds available, a prioritisation exercise is now being carried out. We are satisfied that we have sufficient funds to complete the **essential** works, and the remaining components will be added to a longer-term programme as funds permit. We may also be able to identify other small pots of money to add to those identified above, and if need be we can draw on the contingency element built into the ongoing budget below.

The *IT costs* associated with the transfer comprise the purchase of PCs and laptops, and the costs of installation including small works, trunking and furniture. These are estimated at approximately **£60k**. The bulk of these costs will be covered from Connexions' IT budget, although some elements will overlap with the accommodation alterations identified above. We are satisfied that we have sufficient resources to cover the cost of IT installation and maintenance.

Ongoing budget for the Connexions element of the Youth Services

With the assistance of colleagues from Financial Services, we have drawn up the following provisional budget for the next three years:

Ongoing Budget for Connexions

	2008/09	2009/10	2010/11
	£	£	£
On-going Revenue			
<u>Expenditure</u>			
Staffing Costs	1,085,955	1,117,913	1,146,280
Premises	60,000	60,000	60,000
Supplies & Services	25,000	25,000	25,000
Support Services	50,000	50,000	50,000
Other	125,600	125,965	126,339
Contingency	45,245	39,123	0
Total Expenditure	1,391,800	1,418,001	1,407,619
<u>Income</u>			
Grant	1,391,800	1,418,001	1,396,446
Total Income	1,391,800	1,418,001	1,396,446
Net On-going shortfall	0	0	-11,173

The contingency element in the first two years will enable us to deal with any unexpected items that may yet arise in the short and medium term, particularly those related to accommodation and IT, and any minor HR issues as set out in the next Annex. We will address the small shortfall in the third year in the longer term.