ANNEX 11

Easy Project Financial Plan

The tables attached at Annex 11a show the financial impact of extending the Easy at York programme. Table 1 shows the model approved by Executive at the 15th January 2008. Table 2 shows the latest projection based on proposals submitted in this report. Table 3 highlights the variance.

Overall the Easy Programme is projected to generate a surplus of £509k, however in financial years 2009/10 and 2010/11 the programme has a funding shortfall for which approval is sought for temporary funding from the Venture Fund. Interest on the Venture Fund loan will need to be paid and has been incorporated into the financial plan..

The Programme costs consist of staff resources, accommodation, training and publicity. These have increased by £2,361k due to an additional year of costs, and as a result of staff resources being made available from other Services from existing budgets, some of which are included for the whole period of the programme. IT costs relate to software and hardware required to deliver improved systems. A contingency of £212k (10%) was originally included in the financial plan to allow for changes in the technology costs but this is no longer considered necessary. In the proposed plan provision for additional costs has now been taken into account when setting the revised IT costs.

Phase 2 support and maintenance costs appear to have reduced. This is due to a change in presentation with all phase 1 residue costs and savings being shown as a net amount on one line. There have also been changes in the maintenance profile due to the extension of the programme.

The savings from implementing Phase 2 have slipped, but over the period projected to 2015 there has been a small increase of £123k, making efficiencies of £2,105k over the 7 year period of the financial plan.

Existing budgets of £1,825k primarily relate to the staff resources being funded from other Services referred to above.

The ongoing budgets and expenditure from the Phase 1 programme are now fully reflected in this financial plan, and mainly comprise of the on going maintenance and support costs and prudential borrowing repayments. Over the 7 year period of the financial plan these costs will reduce contributing further efficiencies.