

REVIEW AGAINST THE ANNUAL BUDGET

Summary

The year to date expenditure for the first quarter of 2018/19 is £9.0m, £0.7m (7.2%) below budget.

The material underspend in the quarter is due to license fees, on-going maintenance and support costs not being incurred yet as the Participant Management Platform work stream of the Foundation Programme going live later than budgeted

The full year forecast is currently held at budget level.

Expenditure by Type

The position against budget is summarised below:

£m	YTD	Var.	Full Year	Var.
Operational	4.3	0.1	19.9	0.0
Demand Led	0.4	0.1	4.9	0.0
Contracted	3.4	0.7	18.0	0.0
System Strategy	0.9	(0.2)	9.9	0.0
Market Development	0.0	0.0	0.5	0.0
Total Elexon	9.0	0.7	53.2	0.0

Unfavourable variances to budget are in brackets

Operational Expenditure

The performance year to date is £0.1m under budget as the additional headcounts budgeted from April have yet to start.

Demand Led Expenditure

The full year forecast is currently being held to budget level.

We have incurred £0.4m on TERRE implementation.

Contracted Expenditure

The full year forecast is being maintained at budget level at £18m despite the delay on the go-live date of the Participant Management Platform work stream.

System Strategy

The full year forecast is being maintained at budget level.

We have incurred £0.9m year to date, of which £0.8m was for the Foundation Programme and £0.1m was for Release Projects.

Market Development

The full year forecast is being maintained at budget level.

We have incurred £39k year to date.