

**THE PENSIONS ADVISORY SERVICE CORPORATE
PLAN**

1 APRIL 2008 – 31 MARCH 2011

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THE PENSIONS ADVISORY SERVICE – CORPORATE PLAN 2008-2011

Foreword by the Chairman

TPAS has been one of the successes of the past 25 years, combining volunteers and paid staff to provide a first rate, highly cost effective service. Over the years we have adapted to changing circumstances and have developed from a complaints handling organisation to incorporate generic pensions advice and information. The next few years will provide us with the greatest challenges we have faced so far.

Long term there is a number of opportunities facing us, not least the Otto Thoresen review into generic financial advice and the government's introduction of personal accounts. We are in the ideal position to play an important role in the introduction of both of these initiatives and the strategies outlined in this document are designed to enhance our ability to support these initiatives. Both of these projects will involve a massive opportunity for millions of people to plan for their retirement. Many of these will need the support of an organisation versed in, and with the requisite expertise in, the giving of advice on pensions to the public. We consider that we are the only non profit making organisation capable of providing this service.

Over the period of this plan we shall continue to provide both dispute resolution and advice giving services in respect of pensions. We expect our advice giving to be an area of growth and our policies are designed to ensure that TPAS is in a position to give free pensions advice to as many people as possible.

Our corporate plan incorporates a more detailed business plan for 2008/09 linking to our strategic objectives. We are confident that our plans are well balanced and considered and that they will enable us to provide a much needed service to as many people as possible.

Margaret Snowdon
Chairman

Foreword by the Chief Executive

In 2008 we celebrate our 25th anniversary. During these 25 years we have seen both our volunteer and paid work force grow to cope with the corresponding growth in the number of enquiries and complaints received. Throughout this period there have been numerous changes both legislative and operational. We have witnessed the demise of many final salary schemes and we have had to adapt our strategies and practices to make sure that we were in a position to provide help to those who needed it, as the changes in pension provision and legislation impacted on the members of schemes.

We have seen a discernible move away from complaints to people wanting more general information and advice. Our philosophy has always been that prevention is better than cure. The greater access to the internet has meant that we have been able to practice our philosophy and extend our reach to a much wider audience than was previously possible.

The internet has enabled us to develop a web site providing wide ranging information and advice on all aspects of pension provision. It is a ready source of invaluable information. For the year ended 31 March 2007 our website received in excess of 400,000 visitors. For the year ending 31 March 2008 we are projecting that this will have increased to over 500,000. We fully expect that number to continue to rise over the next three years. The development of our web site to make sure it is easy to understand, is advice giving and reaches those in need of advice, forms a major part of our strategic plans.

Throughout the next 12 months we shall be putting in place plans to widen access of the helpline to a greater number of people.

During 2007/8 we introduced a pilot scheme designed at taking advice to people into the work place. Alongside B&CE (the providers of the industry wide scheme for the Building and Civil Engineering industry), we have undertaken a number of presentations to employees in the construction industry. This has been very successful and over the next three years we plan to increase these presentations.

We are lucky to have so many talented pension professionals giving up their spare time to help others. We look forward to continuing to provide this valuable and much appreciated service to the public.

Malcolm McLean
Chief Executive

1. Introduction

The Pensions Advisory Service (TPAS)

- 1.1 We were formed in 1983 as a charity and were known as the Occupational Pensions Advisory Service. In 1990 OPAS was formed to assume and expand on the responsibilities of the Occupational Pensions Advisory Service and our status changed to that of a voluntary organisation. From this date we have been in receipt of government funding. In December 2004 we changed our name, to reflect our increasingly wider role, to The Pensions Advisory Service. We are a company limited by guarantee and are independent of both the government and the pensions industry. In 2006 we were designated as a Non Departmental Public Body which means we operate at arms length from Government. Our services are provided free of charge.

What We Do

- 1.2 We are an organisation which seeks to work with other service providers within both the public and private sector. We make a practical difference to the lives of those who seek our help.
- 1.3 We provide free of charge a one-stop pensions information and advice service through:
- resolving, via a mix of conciliation and mediation, specific problems an individual is experiencing with a private pension provider. This covers all types of private pension provision;
 - giving information and advice (other than investment advice) on all pension matters, including generic advice on state pensions;
 - bringing to the attention of government departments, the public and the pensions industry areas of concern about the delivery of pensions, gained through our unique position in the industry.
- 1.4 We deliver our service through a mix of volunteers divided into regions and paid staff. Overseeing our activities is a Board of Directors. Details of our regional structure and Board of Directors can be found on our website www.pensionsadvisoryservice.org.uk

Key achievements

- 1.5 Our key achievements are detailed below. We:
- annually successfully resolve 88% of all complaints that we are asked to investigate;
 - have since 2004 have operated a successful mediation service in conjunction with the APL;
 - regularly receive awards. The most recent being the award by UK Pensions in 2007 to our Chief Executive for the “Greatest Single Contribution to Occupational Pensions 1998-2007.” We were successfully reassessed in 2005 for Investors in People accreditation, despite growth in workload and volunteers since we were last assessed. This is public recognition of the investment we make in both our volunteers and paid staff;
 - have become established as a source of expertise on all aspects of pensions;

- are recognised as an authoritative and independent voice in the world of pensions, which offers reassurance to an increasingly sceptical public;
- consistently achieve a high level of customer satisfaction over all areas of work. 50% of those we advise, act on that advice;
- have turned our website into the most comprehensive source of free information and advice on pensions, reaching over 500,000 people annually.

2. The Corporate Plan

Introduction

- 2.1 This document sets out our plans and goals for the three years 1 April 2008–31 March 2011. It describes how we intend to approach our functions and activities. In particular it:
- states our policies, strategies and objectives;
 - examines the risks that we need to address;
 - sets out our priorities and planning assumptions.
- 2.2 The Plan is a rolling three-year plan that is updated annually.
- 2.3 The Corporate Plan incorporates our 12 month business plan and resource requirements covering the period 1 April 2008 – 31 March 2009. In the business plan we describe in detail our specific action plans in support of our business objectives.
- 2.4 Indicative resource requirements are shown for the following two years.

Challenges

- 2.5 There are a number of challenges facing us over the next three years as we adapt to the changing pensions and financial landscape. These are to:
- i) maintain and make broader use of our valuable volunteers. In a period when people are leading increasingly busy lives, it is becoming more and more challenging to recruit new volunteers with the required skills. We have, through our workplace initiative, begun to widen the use of volunteers by using them to make presentations to employees;
 - ii) play our part as experts in the provision of pensions information and guidance in implementing the Thoresen Report recommendations;
 - iii) work with the DWP to establish what our role might be in relation to providing guidance on auto-enrolment and Personal Accounts;
 - iv) consider how best to promote our services to a wider audience while managing the increased call volume while both maintaining our high standards and keeping the costs down for schemes;
 - v) recruit and maintain high quality staff;
 - vi) look at the needs of trustees and administrators to see whether we can help improve the handling of disputes;
 - vii) work with other bodies to enhance services to the public;
 - viii) explain our capabilities to key decision makers in DWP and in those organisations determining the future of financial advice and complaints.

Our Vision and Strategic Objectives

- 2.6 Our vision is to ensure that the public throughout the UK are free of poverty through greater awareness of pensions and the issues surrounding them. We can help achieve our vision when we are accepted as the first port of call for seeking advice on pensions.
- 2.7 To realise our vision last year we set six strategic objectives. The Board has undertaken a review of these and they have now been updated to reflect changing circumstances Our revised objectives are to:
- support the government’s aim of getting more people to save for their future through providing an accessible, friendly, independent and expert organisation to provide information and advice to members of the public, whether they have a pension or not, on all aspects of pensions;
 - communicate our capabilities to policy makers, the public and opinion formers especially to those formulating the policy on generic financial advice (now known as Money Guidance) and Personal Accounts;
 - help improve service standards within the industry through bringing to providers areas of concern arising out of our experiences, resulting in a reduction in the number of dispute cases received;
 - preserve our traditional dispute resolution role through being the first port of call for people who are experiencing a dispute with their pension provider;
 - increase awareness and usage of our services;
 - maintain the voluntary nature of our service. This is of enormous value to the public purse. It is the best way to produce a high quality free service providing maximum value for the grant we receive.
- 2.8 While we still see ourselves, both in the short and long term, as providing a very important service in the area of disputes, it is likely that the growth in our services will be in the area of advice and information. It is in the area of Money Guidance that we have the greatest opportunity to make a real difference to people’s lives. The Thoresen review has sparked a wide ranging debate which includes the need for members of the public to make better provision for their retirement, how this can best be achieved and the need for better access to financial advice. We have an integral role to play in this, through our experience at providing advice and guidance on pension issues. This was reinforced when Paul Thornton in his review into the pensions institutions recommended that Otto Thoresen should make maximum use of our service in formulating his solution to providing Money Guidance.

Actions to meet our strategic objectives

- 2.9 Below are the key actions to meet our strategic objectives. They will be reviewed and evaluated quarterly by senior management and where appropriate, referred to the Board, to ensure that they are still relevant and are achieving our desired aims.
- a. Support the government’s aim of getting more people to save for their future through providing an accessible, friendly, independent and expert information and advice service***

We shall achieve this through:

- each year of the plan ensuring staff maximise their potential with access to appropriate training courses and being sponsored to study for relevant professional qualifications, thereby improving the quality of advice provided;
- making the most effective use of our volunteer workforce through continuing to use them on dispute resolution work and through supporting our advice in the workplace initiative;
- working closely with other organisations including the next steps on the Thoresen pilots with the aim of actively participating in the pilots during 2008-2010;
- taking our service to the workforce by giving presentations to employees at their place of work. We aim to steadily increase the number of presentations so that by 2011 we expect to be undertaking in excess of 200 presentations annually.

b. Communicate our capabilities to policy makers, the public and opinion formers

It is important that those responsible for taking decisions on Money Guidance and Personal Accounts are aware of the contribution we can make. We shall aim to meet regularly with i) the team at the FSA responsible for implementing the Thoresen Review recommendations, ii) the Personal Accounts Delivery Authority and iii) the DWP.

c. Improve the service standards within the industry through bringing to providers areas of concern arising out of our experiences.

Our ideal would be to eliminate disputes between scheme members and the scheme. We cannot deliver this on our own. But we want to see a reduction in the number of dispute cases we receive. We shall therefore:

- continue to bring to the attention of the industry through various means, including the production each year of our casework report, areas of concern with a view to improving standards;
- work with the Raising Standards of Pensions Administration group.

d. To preserve our traditional dispute resolution role

There is no legal requirement for complainants to use our own service, only for scheme members to be informed of our service. In many respects this can be an advantage as it enhances our independence. We shall:

- ensure arrangements are in place with other dispute organisations for cases to be forwarded to us where appropriate;
- throughout the next 18 months work with FOS and the PO to ensure that the proposed merger of FOS and the PO enables us to continue to provide our dispute resolution service;

- over the next three years continue to strengthen relationships with schemes through articles and our annual casework report, ensuring that schemes correctly publicise our service (there is a tendency for schemes to see us as another stage of the dispute resolution, when we can be contacted at any stage.)

e. Increase awareness of our service

We shall:

- continue to raise our profile within parliament and government departments;
- look to increase public awareness of our services through continuing to receive appropriate media coverage resulting in an increase in the number of users of our service. This will need to be carefully managed each year to ensure we can cope with any increase in numbers;
- continue each year to further develop our website which we believe is already the best source of free information on pensions available on the internet, to provide advice on all aspects of pension provision and thereby increasing the number of visitors to our website;
- continue to inform the pensions industry, through articles and our annual casework report, of the full extent of the services we provide i.e. that we do not deal solely with complaints;
- strengthen our links with the media to ensure our services are given appropriate coverage;

f. Maintain the voluntary nature of the service

We shall:

- each year seek to recruit at least 50 new volunteers through a number of measures including paid advertising and attendance at relevant conferences;
- where possible look to use volunteers in areas other than just dispute resolution especially in the expansion of our work place initiative and in continuing to support the helpline.

2.10 We have set up a new Board Committee: a Strategy Group consisting of five Board members. Its remit is to develop our strategies and report back to the Board.

Risk Management

2.11 We have identified a number of risks that could prevent us achieving our objectives. A risk grid has been produced and is monitored by our Audit and Risk Management Committee. The grid, in identifying the risks, quantifies the likelihood of the risk occurring and the impact upon our services. Policies and procedures are in place to minimise the impact of the risks identified.

2.12 The three most significant risks and the action taken to reduce the risks are:

Loss of business continuity due to a loss of IT and/or accommodation: Mitigating factors: Production of risk register. IT contract in place with service level agreements. Disaster Recovery insurance in place. Production of business continuity plan;

Reduction in volunteers: Mitigating factors: Adviser recruitment plan which is regularly reviewed is in place;

We are not given a full role in the Money Guidance (MG) service, particularly with regard to information and guidance on Personal Accounts: Mitigating factors: Continue to provide a first rate service. Work closely with the FSA in putting together the MG service and convince them of the value in having us play a central role in respect of pensions. Work closely with the DWP and PADA and demonstrate the value and need for an advice service built on TPAS.

Planning Assumptions

2.13 It is always difficult to make planning assumptions as external activities e.g. publicity on pension issues, can result in an increase in our workload over which we have no control. However, based on previous experience and activity, alongside known future activities we detail below our planning assumptions outlining our expected workload for the next three years. These are kept under constant review. We show the trends over the last four years alongside the projected workload for the next three years.

	2004/05	2005/06	2006/07	2007/08 Estimated	2008/09 projection	2009/10 projection	2010/11 projection
Helpline	55,231	55,191	52,179	60,000	56,700	59,535	62,500
Written Enquiries	3,914	4,839	6,712	9,400	9,870	10,360	10,880
Written Complaints	7,278	5,956	6,821	6,660	6,660	6,660	6,660
Website Visitors	212,000	264,760	404,000	600,000	750,000	937,500	1,170,000

Assumptions

Helpline

Without the special Women and Pensions helpline run for a limited period in early 2008, we are expecting to receive in 2007/08, in the region of 54,000 calls and it is this figure that has been used for a base for projecting future workload. We are projecting a year on year increase of 5% in calls to our helpline because of increased publicity.

Written Enquiries

These have increased year on year. Enquires can be received either in writing, by email or electronically via our website. We have reacted to greater web use by further developing our website. The comprehensive material on our website helps people find the answer they need without necessarily having to further contact us. Because of this shift to web-based enquiry resolution we are projecting only a 5% year on year increase, which is less than that previously experienced.

Written Dispute Cases

These have fluctuated, though we expect the numbers to stabilise over the next three years as schemes become more aware of our role in disputes.

Website Visitors

We are projecting a year on year increase of 25% as a result of our ongoing development and anticipated increased reliance on the website to resolve enquiries.

Written casework clearance rates 2006/07

2.14 We detail below our clearance rates for clearing written casework for the year ended 31 March 2007. Despite a large increase in cases we are pleased to report that our clearance rates were similar to those achieved the previous year.

Cases B/F at 1/4/06	Cases received in year	Cases Available 07/08	Cases Cleared	Cases C/F to 07/08	% Cleared 07	% Cleared 06	%Increase/ (Decrease)
1,670	16,015	17,685	15,299	2,386	87	89	(2)

Financial Plans

2.15 Our financial plans and expenditure for the three years of the plan are shown at Appendix A. Detailed expenditure is provided for the first year of the plan. We have based these on workload assumptions and known activities. We show indicative expenditure for the final two years of the plan. Our income consists entirely of grant in aid from the DWP and bank interest. The largest single expenditure is for staff salaries. To ensure that we can attract and retain the right staff to deliver our objectives we review our reward packages against the market for the job, along with HM Treasury guidelines on public sector pay.

2.16 The resource requirements for the period of the plan are:

Year	Amount - £
2008/09	3,085,800
2009/10	3,279,000
2010/11	3,324,000

See Appendix A for more details.

Personnel Requirements

- 2.17 During the year ending 31 March 2008 we have seen an increase in written workload over our previous forecast. We have though managed to absorb this increase within our current resources. Providing we are successful in maintaining the number of current advisers we also expect to absorb the 5% year on year projected increase in enquires and helpline calls.
- 2.18 During 2008/09 we intend to expand our workplace initiative. We shall not be able to absorb this expansion without the need for additional staff. We have been running a successful pilot and now plan to increase the number of presentations from 80 a year to 200 annually. It will not be possible to undertake this expansion purely through volunteers. We shall therefore need to increase our technical staff by a further two staff to meet the increased presentations. We believe that the expansion of this service would be good value for the levy payers as an informed work force is more likely to appreciate the value of the employer's scheme, occupational or personal, and a better understanding of how it works. This could also mean fewer unjustified complaints.
- 2.19 The number of staff and volunteers needed to deliver our services will depend largely upon whether our projections in workload are borne out and we can continue to make maximum use of volunteers. Any additional increase in workload beyond that which we have projected will result in us having to reappraise the need for additional resources.
- 2.20 While we are projecting a large increase in the number of visitors to our websites, this should not impact upon staffing resources. We already devote resources to the website and these should be sufficient to continue to update and expand the website. The number of staff and volunteers are shown below.

Staffing and Adviser Requirements

	Full time staff posts and advisers in complement at 1 March 2008	Projected full time staff posts and advisers	Projected full time staff posts and advisers	Projected full time staff posts and advisers
	07/08	08/09	09/10	10/11
Chief Executive	1	1	1	1
Directors	2	2	2	2
Technical Manager	1	1	1	1
Helpline Manager	1	1	1	1
Deputy Admin Director	1	1	1	1
Technical Staff	18	20	20	20
Team Leaders	2	2	2	2
Admin/Finance/HR	6	6	6	6
Total Staff	32	34	34	34
Advisers	432	432	432	432
Total Resource	464	466	466	466

3 Business Plan 1 April 2008 - 31 March 2009

3.1 Our three-year plan sets out our high level objectives. This section describes our specific action plans for the first year of the three-year plan. We also detail our Key Performance Indicators which show how we intend to measure the success of the action plans. The actions are designed to ensure we are in a position to provide our core tasks of dispute resolution and giving advice and information to as many people as possible through our helpline and website.

Action plans in support of our objectives

3.2

Objectives	Action Plans	Measurement/KPI
<p>Support the government's aim of getting more people to save for their future through the provision of information and advice via:</p> <p>i) providing an expert helpline providing advice and information on all aspects of pensions to members of the public.</p>	<p>To inform the delivery of our service and to provide feedback we shall continue to run regular surveys both via our helpline and website. Initiate an external survey (by September 2008) to identify who is using our service.</p> <p>Continue to provide access to, where appropriate, relevant professional qualifications to improve staff's skills e.g. PMI, Payroll Alliance. Provide relevant training courses for staff and volunteers.</p>	<p>Survey undertaken by September 2008.</p> <p>We are meeting the requirements of 90% of our customers.</p> <p>75% success rate in all examinations taken;</p> <p>Skill levels improve – less referrals to managers for advice;</p> <p>Zero complaints of misinformation or wrong advice about the Helpline;</p> <p>85% satisfaction with written enquiries and 90% satisfaction rate with helpline calls.</p>

<p>ii) Expanding our role in providing advice to employees in the work place.</p> <p>iii) Increasing awareness of our service.</p>	<p>Increase the number of presentations made to employers to 200 annually.</p> <p>Continue to achieve a high satisfaction rating from the number of people who are satisfied with the presentation.</p> <p>Further develop and improve our website through the introduction of a number of initiatives including an online planner and a hot topics section.</p> <p>Increase our presence at relevant retirement planning conferences for the public.</p> <p>Continue with current media activities e.g. Working Lunch while establishing greater links both with local and national media resulting in increased media coverage.</p>	<p>By 31 March 2009, 200 talks will have been made to employers.</p> <p>85% of employees satisfied with the presentation.</p> <p>The number of annual visitors to our website increases from 600,000 to 750,000.</p> <p>Attend and present at a minimum of four conferences throughout the year.</p> <p>Handle: a 5% increase in calls to the helpline (54,000 to 56,700); a 5% increase in the number of written enquires received (9,400 to 9,870); 6,660 dispute cases received.</p>
<p>Help to improve the service standards within the industry through bringing to providers' attention, areas of concern arising out of our experiences.</p>	<p>Continue to produce our annual casework review highlighting areas of concern.</p> <p>Meet quarterly with the FSA to discuss specific instances and practices we come across.</p> <p>Liaise with TPR when we come across something which we believe would be of interest to them</p> <p>Work with the Raising Standards of Pensions group.</p>	<p>The number of cases reported in the casework report concerned with poor administration decrease from those previously reported. (For 2007/08 these stood at 2,178 [31%] of the cases received)</p> <p>Annual casework report produced and launched on 1 July 2008.</p>
<p>To provide a dispute resolution role.</p>	<p>Continue to help members of the public with disputes that they are</p>	<p>No increase in dispute cases (6,660 cases</p>

	<p>having with their pension provider.</p> <p>Ensure schemes are aware of the role we play in disputes.</p> <p>Through engagement with FOS and the PO ensure dispute cases are referred to us where appropriate.</p>	<p>annually.)</p> <p>Articles produced emphasising our role and annual casework produced</p>
<p>Maintain the voluntary nature of the service.</p>	<p>Continue with current recruitment policies – stands at conferences, talks, magazine articles, writing to schemes, etc with the aim of recruiting 50 new advisers a year.</p> <p>Make use of the advisers in employer talks.</p> <p>Continue to use volunteers on our helpline.</p>	<p>50 new advisers recruited with the total number of advisers remaining at their current level of 432;</p> <p>During the year we have a stand at a minimum of one major pensions conference.</p> <p>Maintain a group of 50 advisers available to assist in talks.</p> <p>Maintain a minimum number of 12 advisers who are used to help run the helpline.</p>

As appropriate, we shall, throughout the year, continue to engage with the DWP, PADA and the FSA on the service we can supply to support the introduction of personal accounts and the proposed Pathfinder pilot.

Performance targets

3.3 To ensure that we meet our high standards we have set a number of performance targets in relation to the following areas:

- Finance
- Written casework
- Helpline calls
- Satisfaction surveys
- Volunteer performance

These targets are reviewed annually to make sure that they are still stretching but achievable.

Efficiency plans

3.4 We aim to deliver a cost-effective service by ensuring that both staff and volunteers have the skills necessary to deliver our service through:

Providing relevant training courses;

Ensuring that all volunteers are fully inducted as to what is required of them before they take on a case

- 3.5 We shall skill staff up to make simple changes to our database thereby allowing changes to be more quickly implemented than is possible at the moment.
- 3.6 We shall be developing our website to make it more informative to enable visitors to get the answer to simple queries without having to contact us further. Without this development we would expect the projected increase in workload to be even higher. At the same time we are expecting to increase the numbers of visitors to our websites as this is the most efficient way of providing information and guidance.
- 3.7 Overall, we are looking for greater output without an increase in resources and have set appropriate targets for staff.

**FINANCIAL PLAN AND ESTIMATE:
1 APRIL 2008 – 31 MARCH 2011**

Detailed expenditure is shown for 2009/09 with indicative costs for the following two years

Sub-Head	Grant Awarded 07/08	Projected Expenditure 08/09	Indicative Expenditure 09/10	Indicative Expenditure 10/11	Notes
<i>I Manpower</i>	£	£			
Salaries and on-costs	1,551,432	1,596,075	1,667,200	1,730,600	
Pensions	253,172	293,625	304,800	316,400	
<i>Sub-total</i>	1,804,604	1,889,700	1,972,000	2,047,000	1
<i>II Running Costs</i>					
Staff costs	6,396	24,400			
T&S Staff	31,100	36,500			
T&S Board	1,200	2,000			
Board Allowance	12,000	12,500			
Entertainment	2,800	3,100			
Training	20,000	16,000			
Print/Post/Stationery	117,000	74,800			2
Telephone	42,000	32,600			
Library	25,000	24,800			
Promotional	63,200	114,800			3
Professional Fees	5,900	19,100			
Corporation Tax	2,400	4,800			
Depreciation	104,863	106,800			
Insurance	22,500	23,000			
IT Costs	296,600	351,600			4
Repairs/Maintenance	6,500	12,000			
Software	3,000	3,000			
Accommodation	271,000	286,300			5
Miscellaneous	8,300	8,300			
Volunteer Expenses	47,700	45,000			
Lease Hire	3,800	3,700			
Minor fixtures/fittings	1,000	1,000			
<i>Sub-total</i>	1,094,259	1,206,100	1,317,000	1,285,000	6
<i>III Fixed Assets</i>					
IT	3,000	7,000			
Furniture/Equipment	3,000	3,000			
<i>Sub-total</i>	6,000	10,000	10,000	12,000	
Total	2,904,863	3,105,800	3,299,000	3,344,000	
Less Income	(12,000)	(20,000)	(20,000)	(20,000)	
Total Expenditure (on a resource accounting basis)	2,892,863	3,085,800	3,279,000	3,324,000	

NOTES TO APPENDIX A

1. We have estimated an increase in salaries and on-costs of 3.8% year on year.
2. Printing costs will vary depending upon the need for any new items and the amount of current publications that need reprinting. Costs for stationery and post are expected to remain fairly constant.
3. This covers the costs involved in promoting our services. We expect costs to increase as we seek to give wider publicity to our services in 2008/09 through more involvement at conferences for the public.
4. IT costs are expected to increase in 2008/09 as we invest more money in the further development of our website.
5. Our accommodation costs are projected to increase following a rent review due in July 2008.
6. Our running costs have been increased by 3.5% each year. For 2009/10 an additional amount has been included to cater for the renewal of our Pendragon software licence and to provide for an IT consultant to help with the renegotiation of our IT contract.