



VICTIMS SUPPORT PROGRAMME
&
PEACE IV

Guidance Note on Budget Management
G11/VSS

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Please note: in this document “Programmes” refers to both the PEACE IV and the Victims Support Programme. PEACE IV refers to the EU Programme for PEACE and Reconciliation in Northern Ireland and the Border Region of Ireland 2014-2020.

1. Introduction

- 1.1 This Guidance Note should be read in conjunction with:
- The Standard Conditions of Grant
 - Any Special Conditions of Grant
 - Guidance Note G10 Eligibility of Expenditure and Audit Trail
 - VSS Programmes Operating Manual.
- 1.2 The purpose of this Guidance Note is to provide information to funded organisations on permissible budget flexibility within your approved budget detailed in [Annex 1](#) of your Letter of Offer.

2. Budget Management

- 2.1 Budgets should be managed and allocated to the Budget headings attached in [Annex 1](#) of this Guidance Note.
- 2.2 Each year, prior to the commencement of the new financial period, funded organisations should agree an annual budget with its Board/Management Committee and VSS. This budget should be aligned to the funded organisation's strategic objectives and be broken down in appropriate detail by each budget heading/project. The budget should also be profiled by month, i.e., the annual budget should be broken down by each month of the financial period.
- 2.3 At each month end, as a matter of routine, the funded organisation should collate management accounts for presentation to the Board/Management Committee. These accounts should compare year to date budget against year to date actual expenditure and should include an analysis of any variances. These accounts should also include a forecast of expenditure for the remainder of the year which should be compared against the agreed budget.
- 2.4 Monitoring of the budget in this way will allow the funded organisation to quickly identify variances which will facilitate timely corrective actions to be taken.

- 2.5 The Board/Management Committee should routinely review the management accounts at each meeting. Discussions and actions should be detailed in the corresponding Board/Management Committee minutes.

3 Cash Management

- 3.1 Funded organisations should regularly review and monitor their cash balance and cash requirements to ensure there are sufficient funds available to ensure service delivery is not disrupted.
- 3.2 Cash drawdown requests should, therefore, be submitted to the VSS in sufficient time. See **Annex 2** of this Guidance Note.
- 3.3 The monthly profile of the agreed budget should be used to manage funded organisation's cash requirements. At the start of each quarter, funded organisations should use the monthly profile of their budget to determine the cash required to cover the forthcoming quarter. This should then be compared against the VSS bank account balance, the cheques waiting to be lodged and pending receipts to determine the cash amount to be requested from the VSS.
- 3.4 The VSS target is to respond to each request within 10 working days from receipt of completed requests. A request is only complete once all required paperwork has been received, including signed hard copies where required.
- 3.5 Where significant issues have been identified VSS reserves the right to decline, delay or reduce payment until these matters have been resolved to the satisfaction of VSS.

4 Budget Flexibility – Victims Support Programme

4.1 Core Budget Headings

- 4.1.1 As a general principle only costs outlined within **Annex 1** of your Letter of Offer for the purpose of implementing your Delivery Plan will be eligible for funding.
- 4.1.2 However, in some instances funded organisations may wish to request a change to their budget due to unforeseen circumstances during the

implementation of Delivery Plans and in response to the presenting needs of victims and survivors.

- 4.1.3 Requests for budget reallocation can normally only be submitted twice in any financial year, at the end of quarter two for changes in quarters one and two and at the end of quarter four for changes in quarters three and four. In exceptional circumstances you may discuss additional requests for budget changes with your Programmes Officer.
- 4.1.4 Ordinarily, an increase in the salaries budget is **NOT** permissible, nor are any increases to agreed salary levels per individual. However, flexibility within the salaries budget is permissible to cover leave such as maternity, paternity and sickness, in line with your organisations' policies / minimum statutory requirements. Any changes to the salary budget **MUST** be agreed in advance with your Programmes Officer.
- 4.1.5 The VSS can allow flexibility **WITHIN** the agreed **overhead budget headings** as outlined within Annex 1 of your Letter of Offer. There is no requirement to formally request this change in writing as the virement will be applied by your Verification Officer at year end. Please inform VSS through your Quarterly Feedback Report. Please see [Annex 1](#) of this Guidance Note.

4.2 Other Budget Headings

- 4.2.1 Funded organisations **do not** need to obtain approval from the VSS to move expenditure **up to the value of £1,000** (cumulative) in any one financial year between or within the agreed budget headings below (excluding salaries and overheads):

- Talking Therapies
- Complementary Therapies
- Personal & Professional Development
- Welfare Advice and Support
- Truth, Justice, Acknowledgement
- Social Support

HOWEVER, these changes **MUST** be reported to the VSS through the Quarterly Feedback Report and a rationale provided. All changes are treated as **cumulative** and should not impact negatively on the outputs as outlined in Annex 2 Delivery Plan or the outcomes outlined in Annex 3 Monitoring and Evaluation plan.

Please be aware that movement between budget headings up to £1,000 should be reported during the year in the quarterly expenditure claim forms but will only be applied at year end vouching.

4.2.2 Requests to move expenditure of **more than £1,000** between or within the following budget headings **MUST** be requested in writing as per the VSS Budget Reallocation Request Procedure. ([Annex 3](#))

- Talking Therapies
- Complementary Therapies
- Personal & Professional Development
- Welfare Advice and Support
- Truth, Justice, Acknowledgement
- Social Support
- Overheads

These changes **MUST** be requested in **advance** and will only be formally approved once the Notification Letter issued by the VSS to the funded organisation has been signed and returned by the funded organisation.

5 Budget Flexibility – PEACE IV

5.1 **ALL changes MUST be requested in advance.**

5.2 Ordinarily, no changes to the salary budget will be allowed. However, flexibility within the salaries budget is permissible to cover leave such as maternity, paternity and sickness. Please note no additional budget will be made available to cover these costs. You should advise the VSS prior to a member of staff commencing maternity / paternity leave.

5.3 Requests to move expenditure between or within the following budget headings **MUST** be requested in writing as per the VSS Budget Reallocation Request Procedure. **(Annex 3)**

- Travel and subsistence
- Supervision Costs

5.4 Travel and subsistence costs within PEACE IV awards will be managed across the whole life term of the PEACE IV contract as a single budget line. This permits carrying travel and subsistence costs **forward** into new financial years. In the event of underspends, a request for change to reflect this will need to be completed. **This applies to PEACE IV travel and subsistence costs only.**

6. General Conditions

6.1 The following general conditions must also apply when budget reallocations are being made:

- There must be an over-riding principle of value for money behind the reason to make budget alterations;
- Implementation, reporting, monitoring and control systems must be in place specifically to ensure there is no double funding between schemes both within VSS Programmes and with other funders;
- Ordinarily any surplus in the programmes' budget cannot be used to cover excess in operational overhead costs;
- Changes to salaries **MUST** be agreed in advance with your Programme Officer through the budget reallocation process.

6.2 It should be noted that there is no opportunity to transfer budget between two financial years with the exception of PEACE IV costs awarded under travel and subsistence as detailed above.

Annex 1: Budget Flexibility and Approval Requirements

Victim Support Programme		
Heading	Flexibility	Approval Required
Salaries & Wages	There is flexibility within this budget heading to cover maternity, paternity and sick leave only	Must be requested in writing using the Budget Reallocation form (see Annex 3 & 4)
Overheads	<p>There is flexibility within this budget heading between overhead budget categories e.g. rent, heat, light & power etc.</p> <p>There is flexibility to increase or decrease the overall overhead budget heading, however this must be agreed through the budget reallocation process</p>	<p>Not Required (Must be reported through the Quarterly Feedback Report with rationale) Any movement will be applied by your Verification Officer at year end.</p> <p>Must be requested in writing using the budget reallocation form (see Annex 3 & 4)</p>
Programme Expenditure <ul style="list-style-type: none"> • Talking Therapies, Complementary Therapies, • Personal & Professional Development, • Welfare Advice and Support, • Truth, Justice, Acknowledgement, • Social Support 	Cumulative up to £1,000	Not Required (Must be reported through the Quarterly Feedback Report with rationale)
Programme Expenditure <ul style="list-style-type: none"> • Talking Therapies, Complementary Therapies, • Personal & Professional Development, • Welfare Advice and Support, • Truth, Justice, Acknowledgement, • Social Support 	Cumulative over £1,000	Must be requested in writing using the Budget Reallocation form (see Annex 3 & 4)

PEACE IV		
Heading	Flexibility	Approval Required
Salaries & Wages	There is flexibility within this budget heading to cover maternity, paternity and sick leave only	Must be requested in writing using the Budget Reallocation form (see Annex 3 & 4)
Other Costs <ul style="list-style-type: none"> • Travel & Subsistence • Supervision Costs 	Any changes to these budget headings must be discussed with your Programmes Officer and requested in writing	Must be requested in writing using the Budget Reallocation form (see Annex 3 & 4)

Annex 2: Drawdown Request Form



VSP/ PEACE IV Cash Drawdown Request Form

Organisation Name: _____ Ref No: _____

Cash Drawdown request for VSP / PEACE IV (delete as appropriate)

Total Letter of Offer Amount for this financial year: £ _____

Financial year drawdown request relates to: _____ Quarter: _____

Cash Received from VSS to date: £ _____ (a)

Expenditure to date: £ _____ (b)

Reconciled Cash Balance at bank: (a-b = c) £ _____ (c)

Forecast Expenditure for Drawdown Period: £ _____ (d)

Cash Requirement: (d - c = e) £ _____ (e)

Cash due from VSS in line with 4.8.4 in the Standard Conditions of Grant:

£ _____ (f)

Variance: (f - e) £ _____ (g)

If there is a variance please explain below.

Declaration:-

I apply on behalf of the above named group for an advance of £ _____ to be lodged to our designated bank account.

I certify that the Terms and Conditions which apply to our Grant as set out in the Letter of Offer and Standard Conditions of Award have been duly observed in respect of money received to date and that the amount now requested is necessary to meet the approved expenditure of this organisation.

Signed: _____ **Date:** _____
GROUP CHAIRPERSON

TO BE COMPLETED BY THE VSS

Amount to be paid £ _____

Signed: _____
ADMINISTRATIVE OFFICER

Date: _____

Signed: _____
GOVERNANCE OFFICER

Date: _____

Signed: _____
PROGRAMMES MANAGER

Date: _____

Date of BACS Run _____

Signed: _____
FINANCE OFFICER

Date: _____

Annex 3: Budget Reallocation Procedure

Victims & Survivors Service Budget Reallocation Procedure

Please read the VSS Guidance Note on Budget Management. Flexibility may mean there is no requirement to complete this.

- VSS is focused on meeting the needs of victims and survivors and adapting to emerging priority needs.
- If you wish to request a budget reallocation you must complete and sign a budget reallocation form (**Annex 4**) and complete changes to all annexes including the Budget Reallocation Spreadsheet (**Annex 1**) affected by the proposed change. **Please ensure that you complete all budget headings and amounts as per your Letter of Offer / current Letter of Notification**, not just the budget headings you are requesting to change.
- Further Guidance Notes for VSP/PIV awards including Annexes 1 and 4 are available to download from the VSS Website – www.vssni.org
- **Once accurately completed, the signed forms must be sent to your Programme Officer for consideration.**
- VSS Programmes Officer will make a recommendation based on the impact the changes will have, the ability of the organisation to deliver agreed outputs and outcomes and value for money.
- If the reallocation is approved, the VSS Programmes Officer will issue a Letter of Notification with updated annexes which will supersede your current Letter of Offer.
- The organisation is required to sign and return the Letter of Notification. Only when this has been returned to VSS will the changes be formally approved and the Verification Team notified. **Without a returned, signed Letter of Notification the VSS is unable to apply any changes.**

VSS Delegated Authorities:

- VSS Programmes Officer can authorise budget reallocation requests up to £5,000.
- Any budget reallocation requests from £5,001 to £30,000 will be authorised by the Programmes Manager.
- Any budget reallocation request over £30,000 will be authorised by the CEO/ACC Officer

Annex 4: Budget Reallocation Form

Please read the VSS Guidance Note on Budget Management before completing this form.

Budget Reallocation Request

Name of Group	
Reference Number	
Date of Request	

Please detail what changes to your Budget/Delivery plan you wish to request.

Please detail the how these changes will impact on the delivery of your outputs and outcomes as detailed in your Delivery Plan and Monitoring and Evaluation Plan.

Signed on behalf of the organisation: _____

Date: _____

Budget Reallocation Spreadsheet (PEACE IV Programme) to be completed in EXCEL and submitted by e-mail.

Please complete all Budget Categories across each year - If approved, this will be your new budget and will replace Annex 1 of your Letter of Offer.

YEAR 1: APRIL 2017 TO MARCH 2017															
Budget Headings	Salaries and Wages										New Pension	Other	(+ / -)	New Expenses	GRAND TOTAL
	Title	Grade	Gross Salary	(+ / -)	New Salary	NIER	(+ / -)	New NIER	Pension	(+ / -)					
HWB Caseworkers	HWB Caseworker	Executive Officer 1	£0	£0	£0	£0	£0	£0	£0	£0	£0				£0
Advocacy Support Workers	Advocacy Support Workers	Staff Officer	£0	£0	£0	£0	£0	£0	£0	£0	£0				£0
Advocacy Support Manager	Advocacy Support Manager	Deputy Principal	£0	£0	£0	£0	£0	£0	£0	£0	£0				£0
Travel												£0	£0	£0	£0
Cost of Meals (Subsistence)												£0	£0	£0	£0
Supervision costs (Advocacy Only)												£0	£0	£0	£0
TOTAL			£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

YEAR 2: APRIL 2018 TO MARCH 2019															
Budget Headings	Salaries and Wages										New Pension	Other	(+ / -)	New Expenses	GRAND TOTAL
	Title	Grade	Gross Salary	(+ / -)	New Salary	NIER	(+ / -)	New NIER	Pension	(+ / -)					
HWB Caseworkers	HWB Caseworker	Executive Officer 1	£0	£0	£0	£0	£0	£0	£0	£0	£0				£0
Advocacy Support Workers	Advocacy Support Workers	Staff Officer	£0	£0	£0	£0	£0	£0	£0	£0	£0				£0

Advocacy Support Manager	Advocacy Support Manager	Deputy Principal	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0				£0
Travel													£0	£0	£0	£0
Cost of Meals (Subsistence)													£0	£0	£0	£0
Supervision costs (Advocacy Only)													£0	£0	£0	£0
TOTAL			£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

YEAR 3: APRIL 2019 TO MARCH 2020															
Budget Headings	Salaries and Wages										New Pension	Other	(+ / -)	New Expenses	GRAND TOTAL
	Title	Grade	Gross Salary	(+ / -)	New Salary	NIER	(+ / -)	New NIER	Pension	(+ / -)					
HWB Caseworkers	HWB Caseworker	Executive Officer 1	£0	£0	£0	£0	£0	£0	£0	£0	£0				£0
Advocacy Support Workers	Advocacy Support Workers	Staff Officer	£0	£0	£0	£0	£0	£0	£0	£0	£0				£0
Advocacy Support Manager	Advocacy Support Manager	Deputy Principal	£0	£0	£0	£0	£0	£0	£0	£0	£0				£0
Travel												£0	£0	£0	£0
Cost of Meals (Subsistence)												£0	£0	£0	£0
Supervision costs (Advocacy Only)												£0	£0	£0	£0
TOTAL			£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

YEAR 4: APRIL 2020 - MARCH 2021															
Budget Headings	Salaries and Wages										New Pension	Other	(+ / -)	New Expenses	GRAND TOTAL
	Title	Grade	Gross Salary	(+ / -)	New Salary	NIER	(+ / -)	New NIER	Pension	(+ / -)					
HWB Caseworkers	HWB Caseworker	Executive Officer 1	£0	£0	£0	£0	£0	£0	£0	£0	£0				£0
Advocacy Support Workers	Advocacy Support Workers	Staff Officer	£0	£0	£0	£0	£0	£0	£0	£0	£0				£0
Advocacy Support Manager	Advocacy Support Manager	Deputy Principal	£0	£0	£0	£0	£0	£0	£0	£0	£0				£0
Travel												£0	£0	£0	£0
Cost of Meals (Subsistence)												£0	£0	£0	£0
Supervision costs (Advocacy Only)												£0	£0	£0	£0
TOTAL			£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Ref Number/Name of organisation

Detail of changes to current Delivery plan as a result of the budget reallocation request (please add rows as required).

Activities (As per Comprehensive Needs Assessment 2012)	Outputs	Timeframe <i>i.e. Dates</i>	Delivery role/ responsibility <i>Including: Staff, Partner organisations, etc.</i>