



## *Financial training For non financial staff*

### **Moving house (Budgeting)**

I moved house last week. I completed before I moved in, so I've spent 2 weeks decorating. Now I hurt in places I didn't know I had!

But the move threw up several financial issues.

I had a budget for the project (how could I not!).

As is always the case, the budget was a bit of a guesstimate.

For example, I underestimated the amount of paint I'd need, but over-estimated the cost per tin: the two errors balanced each other out.

My carpet estimate was too low: the only blue carpet available was a higher quality range than I'd costed. But I'm okay with this: I'm going to spend a lot of years walking on it!

The removal quote surprised me. The quotes from two regional and national firms were much higher than I expected for such a small, local move. Someone recommended a small local firm, who were less than half the price. Even if they hadn't been careful they'd have had to damage a lot to still be more expensive overall. In fact they were excellent.

One or two additional costs surfaced. The doorbell doesn't work, nor does a bathroom tap. I should have picked these issues up before I moved, and included them in my budget.

So what have I learned about project budgets?

- an accurate, detailed project scope is essential for a reliable budget
- decisions about quality affect the budget
- local suppliers can give much better value (which flies in the face of centralised purchasing!)