



Leicestershire Partnership Revenues & Benefits

Financial Performance to December 2017

1. PURPOSE OF THE REPORT

- 1.1 To inform the Management Board of the financial performance of the Partnership for the period April - December 2017.

2. RECOMMENDATION

- a) That the financial performance of the Partnership be noted.

3. INFORMATION

Budget Position

- 3.1. The financial position of the Partnership has been outlined in **Appendix 1** to this report. The key headlines have been detailed below for information.
- 3.2. The Joint Committee approved a budget for the Partnership for 2017/2018 that indicated that £3,459,650 would be spent on the Partnership, matched by income from the partners and use of reserves. This has since been agreed that reserves of £105,250 will be used to reduce the level of contributions needed in year from partners.
- 3.3. As at December 2017, the Partnership had underspent against the profiled budget by £144,502. In addition there were £268,881 of timing differences associated with expenditure to the end of December 2017, which will be billed to partners following the quarter end reconciliation, leaving a net underspend of £70,725.

	Budget to Dec 2017	Actual to Dec 2017	Variance to Date	Timing Differences	Variance after Timing Differences
INCOME	(£2,631,546)	(£2,001,745)	£629,800	(£636,718)	(£6,918)
EXPENDITURE	£2,577,892	£2,146,247	(£431,645)	£367,838	(£63,807)
Net Expenditure Over / (Under) Spend	(£53,654)	£144,502	£198,156	(£268,881)	(£70,725)

- 3.4 The key variances to the end of December 2017 bring to the attention of the Management Board are:
- FERIS is underspent by £56,000, mainly due to posts being filled on a part-time basis, rather than fulltime due to the nature of the work.
 - Salaries is underspent by £39,000 due to vacant posts for much of the year..
- 3.5 There is a direct link between partner contributions and expenditure incurred and therefore partner contributions have been adjusted by £49,000 to reflect the actual expenditure to date.
- 3.6 As at 31 December 2017, the Partnership is forecasting saving of £45,000 for salary savings at the year-end, excluding any FERIS underspends. This will be reviewed as the year progresses.

Appendix 1: Leicestershire Revenues & Benefits Partnership Monitoring Report to 31st December 2017

Expenditure / Income Type	2017/18 Latest Budget to Date	Actual to Date	Timing Differences	Variance after Timing Differences		2017/18 Total Estimate (Original)	2017/18 Total Estimate (Revised)
	£	£	£	£		£	£
Employees	1,913,449	1,506,316	362,821	44,312		2,551,100	2,558,100
Premises Related Expenditure	64,861	63,668	0	1,193		81,050	81,050
Transport Related Expenditure	21,007	13,072	3,843	4,092		28,000	28,000
Supplies & Services	555,174	540,382	1,174	13,619		768,300	776,800
Central & Administrative Exp	23,401	22,810	0	591		31,200	31,200
Revenue Income	-2,591,488	-1,905,736	-636,718	-49,034		-3,459,650	-3,354,400
Approved Cfws	0	0	0	0		0	-72,118
Transfer from Reserves	-78,938	-78,938	0	0		0	-105,250
				0			
Other Expenditure - FERIS	38,880	26,089		12,791		0	56,618
Other Income - FERIS	0	-43,161		43,161		0	0
Sum:	-53,654	144,502	-268,881	70,725		0	0

Timing Differences

	HDC	HDC	NWLDC	HBBC	Total
Salaries - Quarter 3 - 2017/18	HDC	153,880	208,941		362,821
Mileage & Disturbance Costs - Quarter 3 - 2017/18	HDC	1,642	2,200		3,843
Supplies & Services - Quarter 3 - 2017/18	HDC	468	705		1,174
Contributions - Quarter 3 - 2017/18	HDC	-176,316	-213,452	-246,951	-636,718
		-20,325	-1,605	-246,951	-268,881

Explanations

	Variance at 30/11/17 (Over) / Under Spend £	Forecast variance (Over) / Under Spend £	Explanation £5k+
Salaries	39,000	45,000	Underspend is due to a number of vacant posts, some of which have been vacant since the start of the year but interviews are currently taking place.
Training	5,000		Variance > £5k
Premises Related Expenditure	1,000		Variance > £5k
Car Allowances	4,000		Variance > £5k
Flexible working costs	5,000		Variance > £5k
Postages	1,000		Variance > £5k
Computer Software Maintenance & Upgrade	5,000		Variance > £5k
Computer Consumables	2,000		Variance > £5k
Printing & Stationery	2,000		Variance > £5k
Liability Expenses	-5,000		Additional Court costs incurred off set against additional each of the partners will receive within the General Fund
Minor Variances	4,000		Variance > £5k
Central & Administrative Exp	1,000		Variance > £5k
Contributions	-49,000		There is a direct link between partner contributions and expenditure incurred and therefore partner contributions have been adjusted to reflect the actual expenditure to date.
Net Other Expenditure & Income - FERIS	56,000		Fraud and Error Reduction Incentive Scheme (FERIS) this is a ring fenced grant. £43K grant has been recieved so far during 2017/18. A budget of £57k has been bfwd from 2016/17
	71,000	45,000	