



# Leicestershire Partnership Revenues & Benefits

## 'Financial Performance to October 2017

**Joint Committee**

## 1. PURPOSE OF THE REPORT

- 1.1 To inform the Joint Committee of the financial performance of the Partnership for the period April - October 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 October 2017, the Partnership had underspent against the profiled budget by £247,610. In addition there were £312,218 of timing differences associated with expenditure to the end of October 2017, which will be billed to partners following the quarter end reconciliation, leaving a net underspend of £64,608.

	Budget to Sept 2017	Actual to Sept 2017	Variance to Date	Timing Differences	Variance after Timing Differences
INCOME	(£1,848,727)	(£1,890,140)	(£41,413)	£0	(£41,413)
EXPENDITURE	£2,042,178	£1,862,218	(£179,960)	£119,650	(£60,309)
Net Expenditure Over / (Under) Spend	£193,451	(£27,922)	(£221,373)	£119,650	(£101,722)

- 3.4 The key variances to the end of October 2017 bring to the attention of the Joint Committee are:
- FERIS is underspent by £56,000, mainly due posts being filled on a part-time basis, rather than fulltime due to the nature of the work.
  - Salaries is underspent by £38,000 due to vacant posts, interviews are scheduled.
- 3.5 There is a direct link between partner contributions and expenditure incurred and therefore partner contributions have been adjusted by £15,000 to reflect the actual expenditure to date.
- 3.6 As at 31 October 2017, the Partnership is forecasting saving of £35,000 for salary savings at the year-end. This will be reviewed as the year progresses.

### Use of Reserves

- 3.7 Of the £68,000 held in reserves for the costs of purchase and set up of new server capacity £29,000 has been used to date.

**Appendix 1: Leicestershire Revenues & Benefits Partnership Monitoring Report to 31st October 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	1,488,585	1,327,294	118,094	43,197	2,551,100	2,558,100
Premises Related Expenditure	40,589	36,219	0	4,370	81,050	81,050
Transport Related Expenditure	16,341	12,296	1,059	2,986	28,000	28,000
Supplies & Services	481,061	471,099	497	9,465	768,300	776,800
Central & Administrative Exp	15,602	15,310	0	292	31,200	31,200
Revenue Income	-1,814,763	-1,800,596	0	-14,167	-3,459,650	-3,354,400
Approved Cfws	0	0	0	0	0	-72,118
Transfer from Reserves	-61,396	-61,396	0	0	0	-105,250
				0		
Other Expenditure - FERIS	27,432	15,013		12,419	0	56,618
Other Income - FERIS	0	-43,161		43,161	0	0
Sum:	<b>193,451</b>	<b>-27,922</b>	<b>119,650</b>	<b>101,722</b>	<b>0</b>	<b>0</b>

**Timing Differences**

Salaries - October 2017	HDC	49,545
	NWLDC	68,549
Mileage & Disturbance Costs - October 2017	HDC	315
	NWLDC	744
Supplies & Services - October 2017	HDC	380
	NWLDC	117

**119,650**

**Explanations**

	Variance at 30/06/16 (Over) / Under Spend £	Forecast variance (Over) / Under Spend £	Explanation £5k+
Salaries	38,000	35,000	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	4,000		Variance > £5k
Car Allowances	3,000		Variance > £5k
Flexible working costs	5,000		Variance > £5k
Postages	5,000		Variance > £5k
Computer Consumables	2,000		Variance > £5k
Printing & Stationery	2,000		Variance > £5k
Liability Expenses	-9,000		Additional Court costs incurred off set against additional each of the partners will receive within the General Fund
Minor Variances	5,000		Variance > £5k
Contributions	-15,000		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
	<b>101,000</b>	<b>35,000</b>	