



# Leicestershire Partnership Revenues & Benefits

## Financial Performance to December 2020

**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 to December 2020.

## 2. RECOMMENDATION

That the financial performance of the Partnership be noted and agree the recommendation on invoicing at paragraph 3.5

## 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. As at 31 December 2020, the Partnership had a net overspend on budget of £211,410. After adjusting for timing difference of £216,135, the remaining net underspend is £4,734. The timing differences will be billed to partners following the quarter end.

Table 2	Budget December 2020	Actual to December 2020	Variance to Date	Timing Differences	Variance after Timing Differences
INCOME	(£2,763,673)	(£2,036,137)	£727,536	(£604,034)	£123,503
EXPENDITURE	£2,783,221	£2,267,085	(£516,136)	£387,899	(£128,237)
Over / (Under) Spend	£19,548	£230,949	£211,401	(£216,135)	(£4,734)

- 3.3 The key variances to the end of December 2020 to bring to the attention of the Management Board are:
- Salaries are underspent by £32,000 due to vacant posts, and
  - £20,000 on postage as reminder letters have not been going out as normal, due the pandemic response to have a hold on formal statutory recovery and enforcement activity during the lockdown period.
- 3.4 There is a direct link between partner contributions and expenditure incurred and therefore partner contributions have been adjusted by £138,000 to reflect the actual expenditure to date.
- 3.5 There are expected year end savings of £52,000, being:
- Postage £20,000, and
  - Car allowances of £7,000, and
  - Staff costs-vacant posts £25,000.

## **Appendix 1: Leicestershire Revenues & Benefits Partnership Monitoring Report to 31st December 2020**

Expenditure / Income Type	2020/21 Latest Budget to Date	Actual to Date	Timing Differences	Variance after Timing Differences		2020/21 Total Estimate (Original)		2020/21 Total Estimate (Revised)
	£	£	£	£		£		£
Employees	2,043,479	1,619,606	386,427	37,446		2,733,910		2,733,910
Premises Related Expenditure	77,162	74,364	0	2,798		90,940		90,940
Transport Related Expenditure	15,005	5,410	962	8,633		20,000		20,000
Supplies & Services	613,019	545,206	510	67,303		854,850		872,114
Central & Administrative Exp	23,400	22,500	0	900		31,200		31,200
Revenue Income	-2,654,246	-1,926,710	-604,034	-123,503		-3,730,900		-3,584,997
Approved Cfws	0	0	0	0		0		-61,890
Transfer from Reserves	-109,427	-109,427	0	0		0		-145,903
				0				
Other Expenditure - FERIS	11,157			11,157		0		44,626
Other Income - FERIS	0	0		0		0		0
				0		0		0
Sum:	<b>19,548</b>	<b>230,949</b>	<b>-216,135</b>	<b>4,734</b>		<b>0</b>		<b>0</b>

### **Timing Differences**

	HDC	NWLDC	HBBC	Total
Salaries - Quarter 3 2020/21	163,895	222,532		386,427
Mileage & Disturbance Costs - Quarter 3 2020/21	561	401		962
Supplies & Services - Quarter 3 2020/21	135	375		510
Contributions - Quarter 3 2020/21	-166,879	-204,902	-232,253	-604,034
	<b>-2,287</b>	<b>18,406</b>	<b>-232,253</b>	<b>-216,135</b>

**Explanations**

	Variance at 30/09/20(Over) / Under Spend	Forecast variance (Over) / Under Spend	Explanation £5k+
	£	£	
Salaries	32,000		Underspend due to a number of Vacant Posts
Training	5,000		Variance > £5k
Premises Related Expenditure	3,000		Variance > £5k
Car Allowances	9,000	7,000	Travelling expenses lower than anticipated due to reduced travel relating to COVID
Flexible working costs	5,000		Variance > £5k
Postages	39,000	20,000	Reminder letters for Ctax and NNDR have not been going out and are unlikely to go out until later in the year
Computer Consumables	3,000		Variance > £5k
Printing & Stationery	5,000		Printing Costs lower than anticipated
Audit Fees	-20,000		Additional Audit Fees incurred relating to Grant verifications - Income received from partners to cover costs - see below
Liability Expenses	29,000		The Courts have reduced the summons cost fee per case
Subscriptions	4,000		Variance > £5k
Minor Variances	2,000		Variance > £5k
Central & Administrative Exp	1,000		Variance > £5k
Miscellaneous Income	15,000		Income received from partners to cover additional audit costs above
Contributions	-138,000		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	11,000		Fraud and Error Reduction Incentive Scheme (FERIS) A budget of £45k has been bfwd from 2019/20
	<b>5,000</b>	<b>27,000</b>	