



# Leicestershire Partnership Revenues & Benefits

## Final Outturn 2021/22

**Joint Committee**

## 1. PURPOSE OF THE REPORT

1.1 To inform the Joint Committee of the financial performance of the Partnership for the year to 31 March 2022.

## 2. RECOMMENDATION

2.1 The Committee is asked to note financial performance of the Partnership for the year to 31 March 2022, and

2.2 To approve the transfers to earmarked reserves

## 3. INFORMATION

### Budget Position

3.1. The outturn 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 March 2022, the Partnership had a net underspend on the budget of £94,355.

Table 2	Budget 31 March 2022	Actual to 31 March 2022	Variance to Date	Timing Differences	Variance after Timing Differences
INCOME	(£3,750,216)	(£3,876,787)	(£126,571)	£0	(£126,571)
EXPENDITURE	£3,750,216	£3,782,433	£32,217	£0	£32,217
Over / (Under) Spend	£0	(£94,355)	(£94,355)	£0	(£94,355)

3.3 The key variances to 31 March 2022 to bring to the attention of the Joint Committee are:

- Refund of Court Costs £162,000, which have been already refunded to partners.
- Underspends of:
  - £18,000 for postage
  - £13,000 for printing and stationary
  - £79,000 on ICT software and equipment upgrade (Covered by reserve)
  - £45,000 for FERIS
  - £20,000 liability expenses
- Overspends:
  - Payroll £13,000
  - Audit work on fraud checks for grants paid £25,000(net)

3.4 There is a direct link between partner contributions and expenditure incurred and therefore partner contributions have been adjusted by £183,000 to reflect the actual expenditure to date.

#### 4 Reserves Position

Table 2: Reserves	General	Earmarked	Total
Balance b fwd from 2020/21	£244,082	£154,942	£399,024
Transfers from Reserves to reduce contributions	-£79,292		-£79,292
Set aside COVID post payment review work			£0
Use of COVID Review Reserve		-£50,000	-£50,000
Review on Automation	-£25,000	£25,000	£0
Agency Cost/ Back Fill	-£40,000	£40,000	£0
Transfers from Earmarked Reserves (IT costs)		-£82,350	-£82,350
Carry forwards used in 2021/22	-£50,146		-£50,146
Transfers to Reserves	£94,355		£94,355
Transfer to FERIS Reserve	-£44,626	£44,626	£0
Expenditure Carry forwards to 2022/23	£0		£0
<b>Closing Balance 2021/22</b>	<b>£99,372</b>	<b>£132,218</b>	<b>£231,590</b>

- 4.2 The General fund position includes the £50,000 agreed minimum balance, which leaves a balance of £49,372 not yet allocated.
- 4.3 It is recommended that this £49,372 is placed in an earmarked reserve and used to cover project management costs relating mainly to the single employer project and expansion of the partnership.
- 4.4 The remaining earmarked reserves are given in the table below. Note there is £40,000 in the Agency Cost / Back fill reserve to be used to cover the need to have additional support for recovery and the pressure of government schemes, such as Energy Rebate and CARF applications. If this is not enough a request may be made for some of the new burdens funding provided for this purpose later in the year.

Review on Automation	£25,000
Agency Cost / Back Fill	£40,000
Transfer to FERIS Reserve	£44,626
ICT Reserve - ICT equipment & Server	£22,592
<b>Total</b>	<b>£132,218</b>

## Appendix 1: Leicestershire Revenues & Benefits Partnership Monitoring Report to 31st March 2022

Expenditure / Income Type	2020/21 Latest Budget to Date	Actual to Date	Variance after Timing Differences		2021/22 Total Estimate (Original)		2021/22 Total Estimate (Revised)
	£	£	£		£		£
Employees	2,698,460	2,716,380	-17,920		2,698,460		2,698,460
Premises Related Expenditure	97,220	95,965	1,255		97,220		97,220
Transport Related Expenditure	20,000	6,733	13,267		20,000		20,000
Supplies & Services	858,710	932,741	-74,031		853,190		858,710
Central & Administrative Exp	31,200	30,615	585		31,200		31,200
Revenue Income	-3,620,778	-3,618,349	-2,429		-3,700,070		-3,620,778
Approved Cfwds	-50,146	-50,146	0		0		-50,146
Transfer from Reserves	-79,292	-79,292	0		0		-79,292
Transfer from Reserves Covid Grant review	0	-50,000	50,000				0
Transfer from reserves to cover ICT Server Costs	0	-33,000	33,000				
Transfer from reserves to cover cost of ICT Kit	0	-46,000	46,000				
Other Expenditure - FERIS	44,626	0	44,626		0		44,626
Other Income - FERIS	0	0	0		0		0
			0		0		0
Sum:	<b>0</b>	<b>-94,355</b>	<b>94,355</b>		<b>0</b>		<b>0</b>

**Explanations**

	Variance at 31/03/22(Over) / Under Spend £	Explanation £5k+
Salaries	-15,000	Over spend due to agreed pay award (1.75%) that was not budgeted for
Training	-3,000	Variance > £5k
Premises Related Expenditure	1,000	Variance > £5k
Car Allowances	13,000	Travelling expenses lower than anticipated due to reduced travel
Computer Software Maintenance & Upgrade	19,000	ICT Costs lower than anticipated
Computer Software Maintenance & Upgrade -	-65,000	Additional Cost of ICT Kit
Computer Software Maintenance & Upgrade	-33,000	ICT Capital Costs as agreed to be funded from reserves
Computer Consumables	5,000	Variance > £5k
Flexible working	4,000	Variance > £5k
Printing & Stationery	13,000	Printng costs lower than anticipated
Postages	18,000	Postage costs lower than anticipated due to lower volumes and posting unit costs have not increased as much as anticipated
Audit Fees (Additional Fees)	-75,000	Additional Audit Fees incurred relating to Grant verifications
Liability Expenses	20,000	The Courts have reduced the summons cost fee per case
Remote Access	10,000	No new Key Fobs required in 2022/23
Subscription	4,000	Variance > £5k
Minor Variances	6,000	Other Minor Variances
Central & Administrative Exp	1,000	Variance > £5k
Additional Income received from Courts	162,000	Refund of over charged Court fees
Other Income	18,000	Income received to cover additional cost included above
Contributions	-183,000	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.
Transfer from Reserves Covid Grant review	50,000	Transfer from Reserves to cover additional audit costs associated grant verification as a result of COVID
Transfer from Reserves for ICT Costs	33,000	Transfer from Reserves to cover ICT Server costs
Transfer from Reserves to cover cost of ICT Kit	46,000	Transfer from Reserves to cover cost of ICT Kit - Laptops etc
Net Other Expenditure & Income - FERIS	45,000	Fraud and Error Reduction Incentive Scheme (FERIS) A budget of £45k has been bfwd from 2020/21 - Monies to be placed in
	<b>94,000</b>	