



Leicestershire Partnership Revenues & Benefits

Financial Performance to September 2016

1. PURPOSE OF THE REPORT

- 1.1 To inform the Joint Committee of the financial performance of the Partnership for the period April-September 2016.

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 2016/2017 which indicated that £3,505,850 would be spent on the Partnership, matched by income from the partners and use of reserves.

- 3.2.1 Actual spend as at 30 September 2016 against the profiled budget (adjusted for the removal of £122,000 of salary costs in relation to staff being transferred to the DWP in relation to fraud investigation) to that date is summarised below. As 30 September 2016, the Partnership had underspent against the profiled budget by £146,826. In addition there were £173,394 of timing differences associated with expenditure to the end of September 2016, which will be billed to partners following the quarter end reconciliation, leaving a net under spend of £26,568.

	Budget to Sept 2016	Actual to Sept 2016	Variance to Date (Over) / Under Spend	Timing Differences	Variance after Timing Differences (Over) / Under Spend
	£	£	£	£	£
TOTAL EXPENDITURE	1,743,164	1,331,003	-412,161	360,972	-51,189
INCOME	-1,729,772	-1,170,785	558,987	-534,366	24,621
	13,392	160,218	146,826	-173,394	-26,568

- 3.3 The key variances to bring to the attention of the Management Board are:

- Salary savings of £34,000 as a result of current vacancies

- 3.4 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.

- 3.5 At the request of the Management Board, the forecast outturn position of the Partnership is reviewed on a monthly basis. As at 30 September 2016, the Partnership is forecasting a year end saving of £40,000, in relation to salary savings due to vacant posts.

- 3.5.1 All forecast variances have been reviewed and agreed by the Head of Partnership.

- 3.5.2 A business case is being prepared for the next Joint Committee meeting, with regard to proposed allocation of the previously agreed £100,000 reserve.

Leicestershire Revenues & Benefits Partnership Monitoring Report to 30th September 2016

Expenditure / Income Type	2016/17 Latest Budget to Date	Actual to Date	Timing Differences	Variance after Timing Differences	2016/17 Total Estimate (Original)	2016/17 Total Estimate (Revised)
	£	£	£	£	£	£
Employees	1,217,138	826,959	351,888	38,291	2,604,010	2,484,010
Premises Related Expenditure	42,287	39,352	0	2,935	79,530	79,530
Transport Related Expenditure	17,510	6,852	5,637	5,020	35,000	35,000
Supplies & Services	450,625	442,439	3,447	4,739	750,110	754,110
Central & Administrative Exp	15,604	15,400	0	204	31,200	31,200
Revenue Income	-1,680,924	-1,109,561	-534,366	-36,997	-3,499,850	-3,280,153
Approved Cfws	0	0	0	0	0	-72,000
Transfer from Reserves	-48,849	-48,849	0	0	0	-97,697
Other Expenditure - FERIS	0	3,632		-3,632	0	66,000
Other Income - FERIS	0	-16,008		16,008	0	0
Sum:	13,392	160,218	-173,394	26,568	0	0

Timing Differences

Salaries - Quarter 2 - 2016/17	HDC	158,465
	NWLDC	193,423
Mileage & Disturbance Costs - Quarter 2 - 2016/17	HDC	2,499
	NWLDC	3,138
Supplies & Services - Quarter 2 - 2016/17	HDC	954
	NWLDC	2,493
Contributions - Quarter 2 - 2016/17	HDC	-147,850
	NWLDC	-180,139
	HBBC	-206,377
		-173,394

Explanations

	Variance at 30/09/16 (Over) / Under Spend £	Forecast variance (Over) / Under Spend £	Explanation £5k+
Salaries	34,000	40,000	Variance is due to vacant post
Training	4,000		Variance > £5k
Premises Related Expenditure	3,000		Variance > £5k
Car Allowances	5,000		Variance > £5k
Postages	5,000		Variance > £5k
Contributions	-37,000		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	12,000		Fraud and Error Reduction Incentive Scheme (FERIS) this is a ring fenced grant. £12K grant has been recieved so far during 2016/17. A budget of £66k has be bfwd from 2015/16
	26,000	40,000	