



Leicestershire Partnership Revenues & Benefits

Financial Performance to December 2025

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 2025 to December 2025.

2. RECOMMENDATION

- 2.1 That the financial performance of the Partnership is 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 are detailed below for information.
- 3.2. As of 30 December 2025, the Partnership had an overall net underspend on expenditure of £118,109 as a variance to date. Therefore, at the year end, there is likely to be an overall underspend on expenditure due to the vacancy position noted below.

Table 1 31 December 2025	Budget to Date	Actual to Date	Variance to Date
Income	(£3,290,611)	(£3,290,611)	£0
Expenditure	£3,412,709	£3,294,600	(£118,109)
Net Expenditure Over / (Under) Spend	£122,098	£3,989	(£118,109)

- 3.3 The key variances to the end of December 2025 to bring to the attention of the Management Board are:
- Salaries are underspent by £104,000 due to vacant posts at the end of December 2025, which is lower than previously reported due to one off staff costs.
 - Postage is currently overspent by £13,000.
- 3.4 The forecast year end position:
- If the current salary underspend continues at the same rate, there will be an underspend of approximately £120,000, as there are currently a high number of vacant posts.
 - This would significantly increase the reserves held (Appendix 2) by the partnership from £638,940 on the 31 March 2025 to £758,940.

Appendix 1: Leicestershire Revenues & Benefits Partnership Monitoring Report to 31st December 2025

Expenditure / Income Type	2025/26 Latest Budget to Date	Actual to Date	Timing Differences	Variance after Timing Differences		2025/26 Total Estimate (Original)		2025/26 Total Estimate (Revised)
	£	£	£	£		£		£
Employees	2,561,447	2,175,790	278,883	106,774		3,414,150		3,414,150
Premises Related Expenditure	33,343	33,337		6		44,450		44,450
Transport Related Expenditure	9,000	5,578	20	3,402		12,000		12,000
Supplies & Services	785,519	777,374	217	7,928		1,032,130		1,032,130
Central & Administrative Exp	23,400	23,400		0		31,200		31,200
Revenue Income	-3,290,611	-2,555,938	-734,673	0		-4,533,930		-4,533,930
Sum:	122,098	459,542	-455,553	118,109		0		0

Timing Differences

	HDC	NWLDC	HBBC	Total
Salaries - Quarter 3- 2025/26	76,325	202,559		278,883
Mileage & Disturbance Costs - Quarter 3- 2025/26	20			20
Supplies & Services - Quarter 3- 2025/26	217			217
Contributions - Quarter 3- 2025/26	-198,149	-246,141	-290,384	-734,673
	-121,587	-43,582	-290,384	-455,553

<u>Explanations</u>	Variance at 31/10/25(Over) / Under Spend £	Year end Forecast	Explanation £5k+
Salaries	104,000	120,000	This is due to a number of vacant posts and is after including the agreed pay award, payable to date
Training	3,000		Variance < £5k
Car Allowances	3,000		Variance < £5k
Printing & Stationery	4,000		Variance < £5k
Consultancy Fees	5,000		Variance < £5k
Postages	-13,000		Postage costs higher than anticipated
Liability Expenses	8,000		Court Costs lower than anticipated
Minor Variances	4,000		Variance < £5k
	118,000	120,000	

Appendix 2: Reserves at 31/03/2025

Reserves at 31/03/2025	Earmarked	General	Total
Review on Automation	£61,000		£61,000
Agency Cost Back Fill	£40,000		£40,000
Transfer to FERIS Reserve	£44,626		£44,626
ICT Reserve - ICT Kit & Server	£60,727		£60,727
Single employer project management costs	£99,016		£99,016
Forecast underspend 2023/24 (Use for IT pressures)	£199,199		£199,199
Forecast underspend 2024/25 (Use for IT pressures)	£84,372		£84,372
Balance B/F		£50,000	£50,000
Forecast Total at year end	£588,940	£50,000	£638,940

Appendix 3: Capital initiatives

Project Name	Description	One off set up costs	Year 1 Cost	Charge in 2026/27	27/28 to 30/31
Govtech	WebCAPTURE	27,600	77,200.00	104,800.00	86,000.00
	Ecapture	15,000	36,000.00	51,000.00	36,000.00
	Govtech expenditure				
	Total GovTech	42,600.00	113,200.00	155,800.00	224,000.00
Citrix work (to be determined)	Migration of Citrix environment or move to different Virtual Desktop provision	55,000	17,000.00	72,000.00	17,000.00
Academy hosted	Migration from on-premises to MRI or Azure Hosted	55,000		55,000.00	
Academy hosted (excludes licencing and support costs)	Annual additional costs for hosted solution management		65,000.00	65,000.00	65,000.00
Benefits Assistant (Public facing Chatbot)	Develop a public facing chatbot to enhance digital channel shift and support residents	25,000.00	5,000.00	30,000.00	5,000.00
Service Enhancements (Automation and AI)	Developing AI tools to improve productivity and automate tasks and provide insights into new or revised processes	45,000.00	10,000.00	55,000.00	10,000.00
Data Analytics (Insights, Dashboards)	Develop data driven insights and reporting dashboards	15,000.00	5,000.00	20,000.00	5,000.00
	Total Other	195,000	102,000	297,000	102,000