

At a Glance - Overview

Overall, there is a projected underspend of **£1,300k** at year-end.

This is due to:

- Projected underspends on: Member Services - £75k; Finance & Policy - £95k, Workforce, Leadership & Productivity - £280k, Conference & Events - £250k, Legal Services - £20k and remaining contingency budget of £167k.

- additional contribution to overheads from ring-fenced activity agreed in-year - £527k.

This is off-set by an overspend on core salaries - £120k due to the 2.2% increase expected in January 2015.

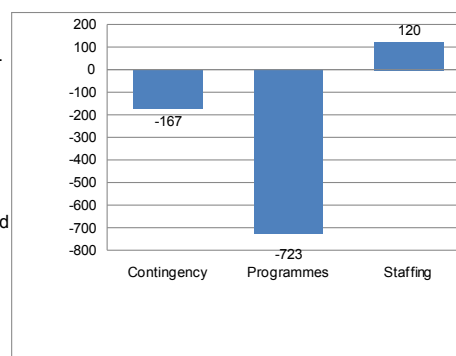
100% of Subscriptions have been collected for 2014/15.

Core Activities

The LGA's overall income is projected to be in the region of **£390k** higher than budgeted income. Operating expenditure also has projected underspends in the region of **£380k** against budgets.

The Key Variances are:

- Finance & Policy - £95k;	costs are expected to be lower than budget in view of work already commissioned for 2014/15.
- Workforce, Leadership & Productivity underspend - £280k;	due to Workforce, Strategy & Consultancy additional income - £40k; LG Inform Plus - £30k and Peer Support - £210k.
- Communications - £250k;	due to costs of running free events being charged to the programme areas.
- Core Salaries - £120k	Due to agreed 2.2% increase from January to March 2015

**Ring-fenced Activity**

Additional funding - not budgeted for at the start of the year - will be in the region of **£2,700k**.

There are 12 programmes where the final budgets will be confirmed in Q4. Some are still in negotiation. The current projections are:

One Public Estate - £400k; Open Data Release Funding - £1572k; Sport for England - £40k; Environment Agency - £15k; Inspire - £30k; Safeguarding Practice Challenges - £400k; Amenity Assets - £100k; Arts Council - £35k; and Fire fighter pension scheme - £34k.

Carried forward grants from 2013/14 not budgeted for are: POP group - £200k and Gypsy & Traveller Programme - £3k.

Additional costs have been incurred for Property Searches - £606k and Icelandic Banks - £100k. This will all be recovered from councils.

This additional funding is offset by a reduction in the Police Grant - £150k.

This additional funding is projected to generate unbudgeted contribution to overheads of **£527k**.

Risks**Opportunities**

Although the Budget Managers' projections show a small underspend on non-pay budgets; current YTD expenditure is in the region of £3,000k below YTD budget.

LG COMPANY REPORT - TOP LEVEL CONSOLIDATION - NOVEMBER 2014

RAG Status Key	
G	Within 5% of budget
A	Between 5% - 10% of budget.
R	10% under /over budget

As at Period 8								
NOVEMBER 14								
Description	Year to date			Full year			Commentary	RAG Status
	Budget YTD	Actuals YTD	Variance YTD	Budget Year	Forecast Outturn	Budget to Outturn Variance		
	2014/15 £000s	2014/15 £000s	2014/15 £000s	£000s	2014/15 £000s	2014/15 £000s		
INCOME:								
Subscription Income (Net of discounts)	(9,468)	(9,468)	(0)	(9,468)	(9,468)	-	100% of subscriptions have now been collected	G
RSG Income	(17,245)	(17,320)	(75)	(25,980)	(25,980)	-	On budget	G
Welsh RSG Income	(207)	(207)	-	(310)	(310)	-	On budget	G
Income from Direct Services	(1,946)	(1,947)	(1)	(2,426)	(2,796)	(370)	The year-end variance is due to additional income from: Political Offices - £11k; Finance & Policy - £29k; LG Inform - £82k; LG support team - £10k; NGDP - £20k; Workforce, Strategy & Consultancy - £20k; Productivity - £25k Research & Information - £23k and Peer Support - £160k. This is offset by Negotiations - £10k.	G
Shared Services - 3rd Party Income	(26)	(14)	11	(51)	(51)	-	On budget	G
Rental Income	(695)	(1,000)	(304)	(1,327)	(1,327)	-	The in-year variance is due to timing on invoices.	G
Other Income	(142)	(471)	(329)	(209)	(229)	(20)	The in-year variance is due to timing on invoices. Year-end variance is due to additional income in Legal Services.	G
Dividends	(1,111)	(886)	225	(1,861)	(1,861)	-	On budget	G
Total Core Income	(30,838)	(31,312)	(474)	(41,631)	(42,021)	(390)		

							As at Period 8	
							NOVEMBER 14	
Description	Year to date			Full year			Commentary	RAG Status
	Budget YTD	Actuals YTD	Variance YTD	Budget Year	Forecast Outturn	Budget to Outturn Variance		
EXPENDITURE:	2014/15 £000s	2014/15 £000s	2014/15 £000s	£000s	2014/15 £000s	2014/15 £000s		
Core Employee Costs	10,085	10,141	56	14,656	14,776	120	Year to date variance is 0.38% of budget. The year-end variance is due to unbudgetted 2.2% pay rise January to March 2015	R
RSG payments to 3rd parties	1,304	1,304	-	1,871	1,871	-	On budget	G
Programme Costs	5,950	4,738	(1,212)	9,762	9,429	(333)	The in-year variance is due to low programme spend. The year-end variance is due to forecast overspends: Political Offices - £11k; LG Inform Plus - £55k; Research Information - £23k ; NGDP - £54k and LG Support team - £1k all of which are offset by income. Year-end underspends include: Member Services - £76k; Finance & Policy - £53k; Cities Board - £13k; Negotiations - £10k; Productivity - £25k; Peer Support - £50k and Conference & Events - £250k.	G
Liberata Contract	2,991	2,903	(88)	4,459	4,459	-	The in-year variance is due to timing on invoices.	G
Shared Services	20	45	25	-	-	-	The in-year variance is due to timing on invoices.	G
Other running costs	1,072	1,245	172	1,787	1,620	(167)	The in-year variance is due to timing on invoices. The Year-end variance is the agreed contingency balance after the 6 month review movements.	G
Property Costs	2,103	1,243	(860)	3,581	3,581	-	The in-year variance is due to lower than expected repair & maintenance costs at mid-year.	G
Pensions - Past employees	592	130	(462)	930	930	-	The in-year variance is due to timing on invoices.	G
Pension Deficits Reduction Payments	4,428	4,210	(219)	5,313	5,313	-	The in-year variance is due to timing on invoices.	G
Total Core Expenditure	28,546	25,958	(2,588)	42,359	41,979	(380)		
NET CORE POSITION (Surplus) Deficit	(2,293)	(5,355)	(3,062)	728	(42)	(770)		

As at Period 8								
NOVEMBER 14								
Description	Year to date			Full year			Commentary	RAG Status
	Budget YTD	Actuals YTD	Variance YTD	Budget Year	Forecast Outturn	Budget to Outturn Variance		
	2014/15 £000s	2014/15 £000s	2014/15 £000s	£000s	2014/15 £000s	2014/15 £000s		
Ring Fenced income	(8,189)	(10,202)	(2,012)	(11,293)	(13,972)	(2,679)	Additional funding is due to be received from: POP Group - £200k; One Public Estate - £400k; Open Data Release Funding - £1572k; Environment Agency - £15k; Gypsy & Traveller - £3k; Inspire - £30k; Sport for England - £40k; Safeguarding Practice Challenge - £400k; Amenity Assets - £100k; Arts Council - £35k; Fire fighter pension scheme - £34k and invoices need to be raised for Property Searches - £606k and Icelandic Banks - £100k. This is offset by a reductions for: the Police Grant - £150k.	G
Ring-fenced expenditure	7,224	7,689	465	11,293	13,972	2,679	Adjustments have been made to expenditure in response to all of the changes in income above, to achieve the same net position.	R
Ring-fenced overhead recovery	(364)	(523)	(159)	(728)	(1,255)	(527)	Increased overhead is expected due to additional grants for 2014/15.	G
Net Ring Fenced Position	(1,330)	(3,036)	(1,706)	(728)	(1,255)	(527)		
NET LGA POSITION (Surplus) Deficit	(3,623)	(8,391)	(4,768)	-	(1,297)	(1,297)		