

SUBJECT:	FINANCIAL MONITORING QUARTER 2 2018/19
REPORT BY:	CHIEF EXECUTIVE & TOWN CLERK
LEAD OFFICER:	JACLYN GIBSON, CHIEF FINANCE OFFICER

1. Purpose of Report

- 1.1 To present to Members the second quarter's financial performance for the Revenues and Benefits shared service for 2018/19.

2. Executive Summary

- 2.1 The forecast outturn for 2018/19 predicts that there will be an underspend against the approved budget of £100,831.

3. Background

- 3.1 The approved budget for 2018/19 was agreed by Revenues and Benefits Joint Committee on 20th February 2018. The Committee set a budget for 2018/19 of £2,285,710 for the service, which has since been increased after receipt of New Burdens Grants, and this report shows the progress against this budget for quarter two and shows a projected outturn for the full year.
- 3.2 The budget, as mentioned in paragraph 3.1, has subsequently been revised for the following New Burdens Grants notified to each Authority in quarter two: -

Budget adjustment	CoLC	NK	Total
	£	£	£
Universal Credit Support 2018/19	12,843	10,148	22,991
Self - Employed Earnings Review	5,422	4,051	9,473
UC LA Universal Support Grant Funding Q1 2018/19	14,885	4,421	19,306
TOTAL	33,150	18,620	51,770

4. Quarter two Financial Performance and Forecast Outturn 2018/19

4.1 Performance Quarter

Financial performance for the second quarter of 2018/19 is detailed in Appendix 1 to this report. At quarter 2, there is an underspend against the approved budget of £46,748.

4.2 Forecast Outturn 2018/19

The forecast outturn for 2018/19 predicts that there will be an underspend against the approved budget of £100,831. Further detail is attached as Appendix 2 to this report.

4.3 A summary of the main forecast year-end variations against the approved budget for 2018/19 is shown below.

<u>Service Area</u>	<u>£</u>	<u>Reason for variance</u>
Revenues and Benefits Management		
IT Costs	5,730	Increased cost of Northgate System.
Benefits		
Salaries (Including Career Grades)	(82,460)	Vacant hours together with Career Graded Posts budgeted at top of scale however not all officers are at the top of the scale.
New Burdens Grants	(62,640)	New Burdens Funding awarded but cost of additional activities contained within current staffing structure.
Telephones	(9,720)	Saving on Telephone Expenses.
Revenues Local Taxation		
IT Costs	15,000	Additional requirements of the service.
Subscriptions	11,550	Analyse Local Annual Fees included within this.
Printing/Postage/Stationery	23,200	Activity Level estimated to be the same as previous years.
Benefits/Money Advice		
Car Mileage	(3,500)	Travel organised in a way to try and reduce mileage cost.
Mobile Phones/Lone Working Devices	2,590	Activity Level estimated to be the same as previous years.

5. Organisational Impacts (nb. Finance, Legal and E & D sections below are mandatory, others to be completed only where there is an impact)

5.1 The financial implications are contained throughout the report.

5.2 There are no legal implications arising from this report.

5.3 There are no equality and diversity implications as a direct result of this report.

6. Risk Implications

6.1 A full financial risk assessment is included in the Council's Medium Financial Strategy.

7. Recommendation

7.1 Members are recommended to note the actual position at quarter 2.

7.2 Members are recommended to approve the budget adjustments for 2018/19 as per para 3.2.

Key Decision No

Do the Exempt Information Categories Apply? No

Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply? No

How many appendices does the report contain? Two

List of Background Papers: None

Lead Officer: Martin Walmsley, Head of Shared Revenues and Benefits
Telephone 01522 873597

Appendix 1 Actual Position as at Quarter 2 2018/19

	Profiled Budget			Actual			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits									
Management	88,630	88,630	177,265	93,556	93,556	187,112	4,926	4,926	9,852
Benefits	346,000	237,080	583,080	290,574	210,416	500,989	(55,426)	(26,664)	(82,091)
Revenues Local Taxation	173,010	180,070	353,080	187,328	194,974	382,302	14,318	14,904	29,222
Money Advice	55,900	55,900	111,800	54,034	54,034	108,069	(1,866)	(1,866)	(3,731)
Total Q1 2018/19	663,540	561,680	1,225,225	625,492	552,980	1,178,472	(38,048)	(8,700)	(46,748)

Appendix 2 Forecast Financial Outturn for 2018/19

	Annual Budget			Forecast Outturn			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits									
Management	158,600	158,600	317,200	163,103	163,103	326,206	4,503	4,503	9,006
Benefits	766,961	525,532	1,292,492	683,375	468,258	1,151,633	(83,586)	(57,274)	(140,859)
Revenues Local Taxation	313,770	326,570	640,340	328,939	342,357	671,296	15,169	15,787	30,956
Money Advice	111,800	111,800	223,600	111,833	111,833	223,667	33	33	67
Total 2018/19	1,351,131	1,122,502	2,473,632	1,287,250	1,085,552	2,372,802	(63,881)	(36,950)	(100,831)