

SUBJECT: REVENUES AND BENEFITS - FINANCIAL OUTTURN 2016/17

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

LEAD OFFICER: ROBERT BAXTER, FINANCIAL SERVICES MANAGER

1. Purpose of Report

- 1.1 To provide Members with the financial outturn for the Revenues and Benefits shared service for 2016/17.

2. Executive Summary

2.1 2016/17 Outturn

The 2016/17 financial outturn for the Revenues and Benefits shared service resulted in an overspend of £4,772, a variance of 0.2% of the revised budget.

3. Background

3.1 2016/17 Outturn

The business case indicated potential revenue savings of £475,270 for 2016/17.

- 3.2 These savings were already factored into the annual budget for the shared service with an allowance for a contingency budget of £20,000 to be set aside to fund any unforeseen circumstances and increased service demands.
- 3.3 The budgets for 2016/17 were increased by £160,120 funded from specific grants received from central government for New Burdens.

4. Financial Outturn 2016/17

- 4.1 The financial performance quarterly monitoring report for the 3rd quarter predicted an underspend of £8,029 against the revised budget, after taking into account new burden grants.
- 4.2 A summary of the main year-end variations against the approved budget for 2016/17 is shown below.

<u>Service Area</u>	£	<u>Reason for variance</u>
Revenues and Benefits Management		
Contingency Budget	(20,000)	Retained budget of £20,000 in 2016/17 which has been set aside to fund any unforeseen costs. This underspend is offset against additional resource costs identified below.
Structure Changes	77,000	Cost of restructuring the service
Benefits		
Staffing	(75,860)	Underspend on career graded posts
Printing	(10,000)	NKDC Recharges less than in previous years
Telephones	(9,290)	Activity levels less than budgeted
IT Costs	(30,420)	New Burdens added here but spent in Revenues
New Burdens	(34,630)	New Burdens added here but spent in Revenues
Revenues Local Taxation		
Printing	13,650	Printing activity higher than budgeted
Agency	54,730	To cover vacant roles in the service
Staffing	19,500	Additional temporary staffing to meet short term demand
Postage	(10,730)	NKDC Recharges less than in previous years
IT Costs	33,560	IT required in year
Money Advice		
Car Mileage	(1,000)	Activity less than budgeted

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 financial outturn for 2016/17.

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? One

List of Background Papers: None

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Appendix 1 Financial Outturn for 2016/17

Running Costs

	Annual Budget			Outturn			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits									
Management	176,425	176,425	352,850	195,171	195,171	390,342	18,746	18,746	37,492
Benefits	719,972	500,272	1,220,244	621,784	432,046	1,053,831	(98,188)	(68,225)	(166,413)
Revenues Local Taxation	317,798	329,968	647,766	368,099	382,195	750,294	50,301	52,227	102,528
Money Advice	108,125	108,125	216,250	107,053	107,053	214,105	(1,072)	(1,072)	(2,145)
Reduction in Admin Grant	(21,730)	(11,580)	(33,310)	0	0	0	21,730	11,580	33,310
Total 2016/17	1,300,590	1,103,210	2,403,800	1,292,107	1,116,465	2,408,572	(8,483)	13,255	4,772