

**SUBJECT: FINANCIAL MONITORING QUARTER 2 2017/18**

**REPORT BY: CHIEF EXECUTIVE AND TOWN CLERK**

**LEAD OFFICER: MARTIN WALMSLEY, HEAD OF SHARED REVENUES AND BENEFITS**

## 1. Purpose of Report

- 1.1 To present to Members the second quarter's financial performance for the Revenues and Benefits shared service for 2017/18.

## 2. Executive Summary

- 2.1 The forecast outturn for 2017/18 predicts that there will be an underspend against the approved budget of £73,178.

## 3. Background

- 3.1 The approved budget for 2017/18 contained a contingency budget of £20,000 within Revenues and Benefits Management costs to cover unforeseen events. As part of the restructure of the service earlier in the year this has since been moved to cover additional staff capacity within the service.
- 3.2 The budget has subsequently been revised for the following items

<b>Budget adjustment</b>	<b>CoLC</b>	<b>NK</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Universal Credit 2017/18	11,774	9,249	21,023
Universal Credit Q2	519	312	831
HB New Burden	5,282	3,127	8,409
FERIS Incentive Funding	2,148	9,767	11,915
<b>TOTAL</b>	<b>£19,723</b>	<b>£22,455</b>	<b>£42,178</b>

## 4. Quarter Two Financial Performance and Forecast Outturn 2017/18

### 4.1 Performance Quarter 2

Financial performance for the second quarter of 2017/18 is detailed in Appendix 1 to this report. At quarter 2, there is an underspend against the approved budget of £30,977.

### 4.2 Forecast Outturn 2017/18

The forecast outturn for 2017/18 predicts that there will be an underspend against the approved budget of £73,178. 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 2017/18 is shown below.

<b><u>Service Area</u></b>	<b>£</b>	<b><u>Reason for variance</u></b>
<b>Revenues and Benefits Management</b>		
Staffing	(24,000)	Due to acting up arrangements, taking into account agency cover, there is a net underspend against the staffing budget.
IT	22,000	Increase on current cost for Northgate
<b>Benefits</b>		
Staffing	(34,000)	Career graded posts not progressing as budgeted and staff vacancies.
Staffing	(48,000)	Review of staffing structure
Telephone Expenses	(9,000)	Forecast underspend, based on 2016/17
<b>Revenues Local Taxation</b>		
Staffing	12,000	The cost of agency staff to cover staff vacancies has caused an overspend.
Printing	13,000	Forecast overspend based on 2016/17
<b>Benefits/Money Advice</b>		
Mobile Phones/Lone Working devices	1,500	Budgets needs to be reviewed as part of the next budget round
Staffing	(7,000)	Reduced hours in the service and maternity leave

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. Recommendations

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

7.2 Members are recommended to approve the budget adjustments for 2017/18 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,  
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## Appendix 1 Actual Position as at Quarter 2 2017/18

	Profiled Budget			Actual			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits									
Management	71,310	75,760	147,070	68,928	68,928	137,857	(2,382)	(6,832)	(9,213)
Benefits	320,230	231,090	551,327	302,584	219,112	521,696	(17,646)	(11,978)	(29,624)
Revenues Local Taxation	166,490	173,020	339,510	173,518	180,600	354,118	7,028	7,580	14,608
Money Advice	54,800	54,800	109,600	51,426	51,426	102,852	(3,374)	(3,374)	(6,748)
<b>Total Q2 2017/18</b>	<b>612,830</b>	<b>534,670</b>	<b>1,147,497</b>	<b>596,456</b>	<b>520,067</b>	<b>1,116,523</b>	<b>(16,734)</b>	<b>(14,603)</b>	<b>(30,977)</b>

## Appendix 2 Forecast Financial Outturn for 2017/18

	Annual Budget			Forecast Outturn			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits									
Management	160,370	170,370	330,740	159,198	169,125	328,322	(1,172)	(1,245)	(2,418)
Benefits	711,148	513,188	1,224,336	658,183	474,967	1,133,150	(52,964)	(38,221)	(91,185)
Revenues Local Taxation	314,020	326,350	640,370	326,630	339,455	666,086	12,610	13,105	25,716
Money Advice	109,590	109,590	219,180	106,945	106,945	213,889	(2,645)	(2,645)	(5,291)
<b>Total 2017/18</b>	<b>1,295,128</b>	<b>1,119,498</b>	<b>2,414,626</b>	<b>1,250,956</b>	<b>1,090,492</b>	<b>2,341,447</b>	<b>(44,172)</b>	<b>(29,006)</b>	<b>(73,178)</b>