

SUBJECT: FINANCIAL MONITORING QUARTER 3 2017/18

REPORT BY: CHIEF EXECUTIVE

LEAD OFFICER: ROB BAXTER, INTERIM CHIEF FINANCE OFFICER

1. Purpose of Report

- 1.1 To present to Members the third quarter's 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 £181,887.

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

Budget adjustment	City of Lincoln	North Kesteven	Total
	£	£	£
HB Stop Notice	429	429	858
LA Data Sharing Programme: IT Costs	6,899	6,899	13,798
Universal Credit Q3	325	195	520
Universal Credit live service closure	2,238	2,120	4,358
	9,891	9,643	19,534

4. Quarter Three Financial Performance and Forecast Outturn 2017/18

4.1 Performance Quarter 3

Financial performance for the third quarter of 2017/18 is detailed in Appendix 1 to this report. At quarter 3, there is an underspend against the approved budget of £129,802.

4.2 Forecast Outturn 2017/18

The forecast outturn for 2017/18 predicts that there will be an underspend against the approved budget of £181,887. 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.

<u>Service Area</u>	<u>£</u>	<u>Reason for variance</u>
Revenues and Benefits Management		
Staffing	(36,740)	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
Benefits		
Staffing	(97,090)	Career graded posts not progressing as budgeted and staff vacancies.
New Burdens Funding Unallocated	(86,760)	New Burdens funding awarded throughout the year but additional work undertaken within existing resources
Revenues Local Taxation		
Staffing	24,970	The cost of agency staff to cover staff vacancies has caused an overspend
Printing	34,000	Forecast overspend based on 2016/17
Stationery	(7,300)	Underspend based on 2016/17 activity
Postage	(7,200)	Underspend based on 2016/17 activity
Collection/Tracing Agents	(8,300)	Underspend based on 2016/17 activity
Benefits/Money Advice		
Mobile Phones/Lone Working devices	1,500	Overspend based on 2016/17 activity
Staffing	(16,720)	Reduced hours in the service and maternity leave
Mileage	(4,000)	Changes in working patterns to try and save mileage costs

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 3.

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:

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Appendix 1 Actual Position as at Quarter 3 2017/18

	Profiled Budget			Actual			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits									
Management	37,820	40,180	78,000	40,570	40,570	81,141	2,750	390	3,141
Benefits	541,790	392,480	934,275	454,492	329,115	783,607	(87,298)	(63,365)	(150,663)
Revenues Local Taxation	228,280	237,240	465,520	242,312	252,203	494,515	14,032	14,963	28,995
Money Advice	81,560	81,560	163,125	75,923	75,923	151,846	(5,637)	(5,637)	(11,274)
Total Q3 2017/18	889,450	751,460	1,640,920	813,297	697,811	1,511,108	(76,153)	(53,649)	(129,802)

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	153,883	163,479	317,362	(6,487)	(6,891)	(13,378)
Benefits	718,801	520,711	1,239,512	609,847	441,783	1,051,629	(108,954)	(78,928)	(187,882)
Revenues Local Taxation	314,020	326,350	640,370	331,572	344,592	676,164	17,552	18,242	35,794
Money Advice	109,590	109,590	219,180	101,380	101,380	202,760	(8,210)	(8,210)	(16,420)
Total 2017/18	1,302,781	1,127,021	2,429,802	1,196,682	1,051,233	2,247,915	(106,099)	(75,788)	(181,887)