

**SUBJECT: REVENUES AND BENEFITS - FINANCIAL OUTTURN 2017/18**

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

**LEAD OFFICER: JACLYN GIBSON, CHIEF FINANCE OFFICER**

## **1. Purpose of Report**

- 1.1 To provide Members with the financial outturn for the Revenues and Benefits shared service for 2017/18.

## **2. Executive Summary**

### **2.1 2017/18 Outturn**

The 2017/18 financial outturn for the Revenues and Benefits shared service resulted in an underspend of £184,798, a variance of 7.6% of the revised budget.

## **3. Background**

### **3.1 2017/18 Outturn**

The business case indicated potential revenue savings of £475,270 per annum following the successful implementation of the new staffing restructure on 1<sup>st</sup> February 2012.

- 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 2017/18 were increased by £165,949, over and above the base budget assumption, funded from specific grants received from central government for New Burdens.

## **4. Financial Outturn 2017/18**

- 4.1 The financial performance quarterly monitoring report for the 3<sup>rd</sup> quarter predicted an underspend of £181,887 against the revised budget, after taking into account New Burden grants. This underspend was largely down to; £106,000 New Burdens Grants – much of which was received in the latter part of the financial year, and £85,500 due to not all Benefits Officers being at the top scale of the career grade.
- 4.2 A summary of the main year-end variations against the approved budget for 2017/18 is shown below.

### **Service Area**

**£**

### **Reason for variance**

<b><u>Service Area</u></b>	<b><u>£</u></b>	<b><u>Reason for variance</u></b>
<b>Revenues and Benefits Management</b>		
Contingency Budget	(20,000)	Retained budget of £20,000 in 2017/18 which has been set aside to fund any unforeseen costs. This under spend is offset against additional resource costs identified below.
Staff Costs	(24,045)	Underspend on Management Staffing due to interim support and acting up to cover the head of the shared service post for part of the year.
IT Costs	17,850	Overspend on annual support of Northgate system
<b>Benefits</b>		
Staffing	(85,500)	Underspend on career graded posts
Agency Staff	(8,600)	Nil spend on Benefits Agency Staff
Telephones	(9,720)	Activity levels less than budgeted
New Burdens	(106,000)	New Burdens added here but partly spent in Revenues and balance underspent
<b>Revenues Local Taxation</b>		
Printing	30,520	This should decrease moving forward due to the further rollout of an outsourced correspondence solution
Agency	58,610	To cover vacant roles in the service
Staffing	(20,630)	Vacancies at various points throughout the year.
Postage	16,990	This should decrease moving forward due to the further rollout of an outsourced correspondence solution
<b>Money Advice</b>		
Staffing	(16,860)	Vacancies at various points throughout the year.
Car Mileage	(3,660)	Activity less than budgeted

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

6.1 The financial implications are contained throughout the report.

6.2 There are no legal implications arising from this report.

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

**7. Risk Implications**

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

**8. Recommendation**

8.1 Members are recommended to note the financial outturn for 2017/18.

**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

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

## Appendix 1 Financial Outturn for 2017/18

### Running Costs

	Annual Budget			Outturn			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits									
Management	160,370	170,370	330,740	148,345	157,595	305,940	(12,025)	(12,775)	(24,800)
Benefits	724,072	524,627	1,248,699	597,320	432,789	1,030,108	(126,752)	(91,839)	(218,591)
Revenues Local Taxation	314,020	326,350	640,370	350,673	364,442	715,115	36,653	38,092	74,745
Money Advice	109,590	109,590	219,180	101,514	101,514	203,028	(8,076)	(8,076)	(16,152)
<b>Total 2016/17</b>	<b>1,308,052</b>	<b>1,130,937</b>	<b>2,438,989</b>	<b>1,197,851</b>	<b>1,056,340</b>	<b>2,254,191</b>	<b>(110,201)</b>	<b>(74,598)</b>	<b>(184,798)</b>