

<b>SUBJECT:</b>	<b>REVENUES AND BENEFITS - FINANCIAL MONITORING QUARTER 1 2019/20</b>
<b>REPORT BY:</b>	<b>CHIEF EXECUTIVE &amp; TOWN CLERK</b>
<b>LEAD OFFICER:</b>	<b>MARTIN WALMSLEY, HEAD OF SHARED REVENUES AND BENEFITS</b>

## 1. Purpose of Report

- 1.1 To present to Members the first quarter's performance for the Revenues and Benefits shared service for 2019/20.

## 2. Executive Summary

- 2.1 The forecast outturn for 2019/20 predicts that there will be an underspend against the approved budget of £95,379.

## 3. Background

- 3.1 The approved budget for 2019/20 was agreed by Revenues and Benefits Joint Committee on 19<sup>th</sup> February 2019. The Committee set a budget for 2019/20 of £2,367,000 for the service, which has since been increased after receipt of New Burdens Grants, totalling £80,981.
- 3.2 The budget, as mentioned in paragraph 3.1, has subsequently been further revised for the following New Burdens Grants notified to each Authority in quarter one: -

<b>Budget adjustment</b>	<b>CoLC</b>	<b>NK</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Verify Earnings & Pensions Alert Services	23,139	20,240	43,379
Business Rates Retail Discount Scheme	9,225	9,225	18,450
LA Data Sharing Programme: IT Costs	9,576	9,576	19,152
<b>TOTAL</b>	<b>£41,940</b>	<b>£39,041</b>	<b>£80,981</b>

## 4. Quarter One Financial Performance and Forecast Outturn 2019/20

### 4.1 Performance Quarter 1

Financial performance for the first quarter of 2019/20 is detailed in Appendix 1 to this report. At quarter 1, there is an overspend against the approved budget of £15,687.

- 4.2 Forecast Outturn 2019/20  
The forecast outturn for 2019/20 predicts that there will be an underspend against the approved budget of £95,379. 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 2019/20 is shown below.

<u>Service Area</u>	<u>£</u>	<u>Reason for variance</u>
<b>Revenues and Benefits Management</b>		
IT Costs	13,000	Northgate System costs – budget to be realigned to reflect the actual value during 2020/21 budget setting process.
<b>Benefits</b>		
Salaries (Including Career Grades)	(58,900)	Vacant hours together with career graded posts budgeted at top of scale however not all officers are at the top of the scale. Additional agency staff costs assumed for April - May 2019 only.
New Burdens Grants	(18,380)	New Burdens Funding, offset against specific IT costs incurred, but cost of additional activities contained within current staffing structure.
<b>Benefits/Money Advice</b>		
Salaries	(14,100)	Vacant staff hours.

## 5. Organisational Impacts

- 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 1.
- 7.2 Members are recommended to approve the budget adjustments for 2019/20 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  
Telephone 01522 873597

**Appendix 1 Actual Position as at Quarter 1 2019/20**

	Profiled Budget			Actual			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits									
Management	51,350	51,350	102,700	66,439	66,439	132,877	15,089	15,089	30,177
Benefits	182,710	133,280	315,985	146,754	106,270	253,025	(35,956)	(27,010)	(62,965)
Revenues Local Taxation	92,480	96,150	188,630	118,338	123,168	241,505	25,858	27,018	52,875
Money Advice	28,480	28,480	56,968	26,280	26,280	52,560	(2,200)	(2,200)	(4,400)
<b>Total Q1 2019/20</b>	<b>355,020</b>	<b>309,260</b>	<b>664,283</b>	<b>357,810</b>	<b>322,157</b>	<b>679,967</b>	<b>2,790</b>	<b>12,897</b>	<b>15,687</b>

## Appendix 2 Forecast Financial Outturn for 2019/20

	Annual Budget			Forecast Outturn			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits									
Management	176,591	176,591	353,182	182,888	182,888	365,776	6,297	6,297	12,594
Benefits	655,259	477,980	1,133,239	600,270	437,868	1,038,138	(54,989)	(40,112)	(95,101)
Revenues Local Taxation	359,695	373,995	733,690	360,868	375,215	736,083	1,173	1,220	2,393
Money Advice	113,935	113,935	227,870	106,303	106,303	212,605	(7,632)	(7,632)	(15,265)
<b>Total 2019/20</b>	<b>1,305,480</b>	<b>1,142,501</b>	<b>2,447,981</b>	<b>1,250,329</b>	<b>1,102,273</b>	<b>2,352,602</b>	<b>(55,151)</b>	<b>(40,227)</b>	<b>(95,379)</b>