

SUBJECT:	REVENUES AND BENEFITS - FINANCIAL MONITORING QUARTER 2 2019/20
REPORT BY:	CHIEF EXECUTIVE & 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 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 £94,190.

3. Background

- 3.1 The approved budget for 2019/20 was agreed by Revenues and Benefits Joint Committee on 19th 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 £97,781.
- 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 two: -

Budget adjustment	CoLC	NK	Total
	£	£	£
Housing Benefits Review	839	237	1,075
UC LA Universal Support Grant Funding	11,368	4,294	15,662
TOTAL	12,206	4,531	16,737

4. Quarter Two Financial Performance and Forecast Outturn 2019/20

4.1 Performance Quarter 2

Financial performance for the first quarter of 2019/20 is detailed in Appendix 1 to this report. At quarter 2, there is an underspend against the approved budget of £26,967.

4.2 Forecast Outturn 2019/20

The forecast outturn for 2019/20 predicts that there will be an underspend against the approved budget of £94,190. 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>Reason for variance</u>
Revenues and Benefits Management		
IT Costs	13,000	Northgate System costs – budget to be realigned to reflect the actual value during 2020/21 budget setting process.
Benefits		
Salaries (Including Career Grades)	(50,200)	Vacant hours together with career graded posts budgeted at top of scale however not all officers are at the top of the scale.
New Burdens Grants	(26,330)	New Burdens Funding offset by specific IT costs incurred.
Benefits/Money Advice		
Salaries	(13,800)	Vacant staff hours.
Revenues Local Taxation		
Agency Spend	(20,600)	Reduction in agency spend due to improved substantive position.

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 2.
- 7.2 Members are recommended to approve the budget adjustments for 2019/20 as per para 3.2.
- 7.3 To approve carry forward into 2020/21 projected budget underspend to extend 2.0 Full-Time Equivalent additional Council Tax Administration Officers recently appointed, for the whole of 2020/21 – approximate cost £51,934. Agreement to extension of these positions would significantly assist with tackling Council Tax performance matters, as detailed in the Performance Update report on this Committee's Agenda.

<u>Service Area</u>	<u>£</u>	<u>Reason for variance</u>
---------------------	----------	----------------------------

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 2 2019/20

	Profiled Budget			Actual			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits Management	93,130	93,130	186,250	102,899	102,899	205,798	9,769	9,769	19,538
Benefits	329,040	237,860	566,900	308,292	223,246	531,537	(20,748)	(14,614)	(35,363)
Revenues Local Taxation	175,370	182,340	357,710	175,343	182,500	357,842	(27)	160	132
Money Advice	56,970	56,970	113,935	51,333	51,333	102,665	(5,637)	(5,637)	(11,275)
Total Q2 2019/20	654,510	570,300	1,224,795	637,866	559,977	1,197,843	(16,644)	(10,323)	(26,967)

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	182,891	182,891	365,781	6,300	6,300	12,600
Benefits	667,466	482,511	1,149,976	616,457	445,637	1,062,094	(51,009)	(36,874)	(87,883)
Revenues Local Taxation	359,695	373,995	733,690	357,791	372,016	729,807	(1,904)	(1,979)	(3,883)
Money Advice	113,935	113,935	227,870	106,423	106,423	212,846	(7,512)	(7,512)	(15,024)
Total 2019/20	1,317,686	1,147,032	2,464,718	1,263,562	1,106,966	2,370,528	(54,124)	(40,066)	(94,190)