

SUBJECT:	REVENUES AND BENEFITS - FINANCIAL MONITORING QUARTER 3 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 third 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 £82,889.

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 £135,195.
- 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 three:

Budget adjustment	CoLC	NK	Total
	£	£	£
DWP Legislation Changes – Nov-19	10,742	10,742	21,484
Council Tax Annexe Discount	2,763	13,230	15,993
TOTAL	13,505	23,972	37,477

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

4.1 Performance Quarter 3

Financial performance for the first quarter of 2019/20 is detailed in Appendix 1 to this report. At quarter 3, there is an underspend against the approved budget of £69,435.

4.2 Forecast Outturn 2019/20

The forecast outturn for 2019/20 predicts that there will be an underspend against the approved budget of £82,889. 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.
- 4.4 Of the forecast underspend of £82,889 Joint Committee, at its last meeting, agreed to carry forward £51,934 of the underspend to fund 2.0 FTE Council Tax Administrators for a further 12 months fixed term, this would result in a revised forecast underspend of £30,955 for 2019/20 which will be adjusted for at year end.

<u>Service Area</u>	<u>£</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)	(60,330)	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	(26,320)	New Burdens funding offset by agency pay & specific IT costs incurred.
Non-Government Grants	(8,000)	Citizen Advice Funding
Benefits/Money Advice		
Salaries	(17,650)	Vacant staff hours.
Car Allowances Mileage	(4,000)	Underspend (impact of vacancies)
Revenues Local Taxation		
Agency Spend	(20,600)	Reduction in agency spend due to improved substantive position.
Repairs & Maintenance	12,640	Refurbishment of Revenues Team office
Consultant Fees	13,953	Liberata UK Ltd – Empty Homes Review

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 3.

Service Area

£

Reason for variance

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 3 2019/20

	Profiled Budget			Actual			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits Management	134,900	134,900	269,800	139,662	139,662	279,324	4,762	4,762	9,524
Benefits	514,420	374,140	888,560	470,702	340,853	811,555	(43,718)	(33,287)	(77,005)
Revenues Local Taxation	254,970	272,390	527,360	262,044	283,881	545,926	7,074	11,491	18,566
Money Advice	85,340	85,340	170,678	75,080	75,080	150,160	(10,260)	(10,260)	(20,520)
Total Q3 2019/20	989,630	866,770	1,856,398	947,488	839,476	1,786,965	(42,142)	(27,294)	(69,435)

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	183,559	183,559	367,119	6,969	6,969	13,937
Benefits	678,206	493,254	1,171,460	620,583	451,345	1,071,928	(57,623)	(41,909)	(99,532)
Revenues Local Taxation	362,456	387,227	749,683	372,837	398,319	771,156	10,382	11,091	21,473
Money Advice	113,935	113,935	227,870	104,552	104,552	209,103	(9,383)	(9,383)	(18,767)
Total 2019/20	1,331,188	1,171,007	2,502,195	1,281,531	1,137,775	2,419,306	(49,656)	(33,233)	(82,889)