

SUBJECT:	REVENUES AND BENEFITS - FINANCIAL MONITORING QUARTER 1 2022/23
DIRECTORATE:	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 first quarter's (ending 30th June 2022) performance for the Revenues and Benefits Shared Service for 2022/23.

2. Executive Summary

- 2.1 The forecast outturn for 2022/23 predicts that there will be an underspend against the approved budget of £10,326.

3. Background

- 3.1 The approved budget for 2022/23 was agreed by Shared Revenues and Benefits Joint Committee on 8th February 2022. The Committee set a budget for 2022/23 of £2,516,830 for the service.
- 3.2 At quarter one, the budget was increased to reflect New Burdens grants totalling £22,115, detailed as follows:-

	CoLC	NK	Total
	£	£	£
Original Budget	1,337,120	1,179,710	2,516,830
New Burdens – Q1 Single Housing Benefit Extract Automation (SHBE)	4,700	4,700	9,400
New Burdens – Q1 Supported and Temporary Accommodation (SA/TA)	4,610	4,610	9,220
New Burdens – Q1 Supported and Temporary Accommodation Change Request (SA/TA CR)	1,750	1,750	3,500
REVISED BUDGET	1,348,180	1,190,770	2,538,950

4. Quarter One Financial Performance and Forecast Outturn 2022/23

4.1 Performance Quarter 1

Financial performance for the first quarter of 2022/23 is detailed in Appendix 1 to this report. At quarter 1, there is an underspend against the approved budget of £10,376.

4.2 Forecast Outturn 2022/23

The forecast outturn for 2022/23 predicts that there will be an underspend against the approved budget of £10,326. Further detail is attached within Appendix 2 of this report.

4.3 A summary of the main forecast year-end variations against the approved budget for 2022/23 is shown in the table below.

4.4 One of the main reasons for the forecast overspend within the Revenues Local Taxation team is due to additional postage and IT costs as a result of administering the Council Tax Energy Rebate payments. Each Council has received a grant to compensate them for this, along with other administration costs associated with these payments such as increased demand on Customer Services, however these grants sit outside of the shared service budget. For the period 1st April 2022 to 30th June 2022, new burdens grants have been received from Central Government as follows – City of Lincoln £59,673 and North Kesteven £64,514.

<u>Service Area</u>	<u>£</u>	<u>Reason for Variance</u>
Benefits		
Salary costs	(35,470)	Vacancy savings expected for first 5 months pending recruitment.
Overtime	19,080	Additional hours required as a result of vacancies and increased demand due to Covid-19.
Postage Costs	(20,570)	Reduction in postage costs as a result of changes in distribution.
IT Costs	29,800	New Software requirements, partially funded through New Burdens funding.
New Burdens	(22,120)	Additional grant funding to offset new IT cost pressures.
Revenues Local Taxation		
Staffing Costs	(35,920)	Vacancy savings expected for first 5 months pending recruitment.
Overtime	9,670	Additional hours in response to backlog as a result of vacancies and increased workloads due to Covid-19 and CT Energy Rebate administration.

Postage Costs	19,620	Additional costs as a result of increased requirements, partially offset by NB funding for the CT Energy Rebate administration.
IT Costs	17,860	New Software requirements, partially offset by NB funding for the CT Energy Rebate administration.
Benefits/Money Advice		
Staffing Costs	(4,580)	Vacancy savings as a result of part-time 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.

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 2022/23

	Profiled Budget			Actual YTD			Variance YTD		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits									
Management	60,380	60,380	120,762	46,727	46,727	93,454	(13,653)	(13,653)	(27,306)
Benefits	159,860	116,520	276,375	171,349	124,080	295,429	11,489	7,560	19,049
Revenues Local Taxation	100,050	104,130	204,183	101,350	105,487	206,837	1,300	1,357	2,657
Money Advice	29,780	29,780	59,560	27,392	27,392	54,785	(2,388)	(2,388)	(4,775)
Total 2022/23	350,070	310,810	660,879	346,818	303,686	650,504	(3,252)	(7,124)	(10,376)
Grand total							(3,252)	(7,124)	(10,376)

Appendix 2 Forecast Financial Outturn for 2022/23

	Annual Budget			Forecast Outturn			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits Management	187,300	187,300	374,600	190,124	190,124	380,248	2,824	2,824	5,648
Benefits	640,860	467,120	1,107,980	626,715	456,810	1,083,525	(14,145)	(10,310)	(24,455)
Revenues Local Taxation	400,570	416,910	817,480	407,744	424,387	832,131	7,174	7,477	14,651
Money Advice	119,450	119,440	238,890	116,365	116,355	232,720	(3,085)	(3,085)	(6,170)
Total 2022/23	1,348,180	1,190,770	2,538,950	1,340,948	1,187,676	2,528,624	(7,232)	(3,094)	(10,326)
Grand total							(7,232)	(3,094)	(10,326)