

Report of the Section 151 Officer

2017-18 Revenue Outturn

1 Purpose of report

1.1 This report presents members with an overview of the council's revenue expenditure against approved budget for the financial year 2017-18.

1.2 The closure of accounts process for the 2017-18 financial year has been completed; which includes reviewing all of the balance sheet accounts for completeness and accuracy. These accounts are subject to external audit, which could result in amendments to the revenue outturn position for 2017-18 which will be reported to a future Resources Committee, if required.

2 Executive Summary

2.1 The council set its revenue budget in February 2017 at £10.106m for expenditure, with associated ongoing sustainable funding of £9.035m. This meant that approximately £1.071m was needed from revenue reserves to support the expected level of expenditure when the budget was set.

2.2 The final outturn position has now been calculated and £0.837m of general reserves is required to fund 2017-18 outturn, this is a favourable movement of £0.234m compared to the original budgeted use of reserves.

2.3 The use of reserves to support the budget for the medium term is unsustainable as it is a finite resource, as there is still an underlying deficit in the budget which needs to be addressed over the medium term.

2.4 It is normal as part of the year end finance report to also propose the changes to ear-marked reserves to be included as part of the closedown process. These changes are detailed in section 6.7 and 6.8 of the report.

3 Appendices

- Appendix 1 Revenue Monitoring Position to 31 March 2018

The Committee is invited to RESOLVE to:

4.1 **APPROVE** the creation of new ear marked reserves as detailed in 6.8c

4.2 **APPROVE** the utilisation of existing ear marked reserves as detailed in 6.8a

4.3 **APPROVE** the contribution to existing ear marked reserves as shown in 6.8b

4.4 **NOTE** the outturn position, subject to audit, outlined in this report and the reasons for the projected outturn variations as at 31 March 2018

5 Introduction

- 5.1 The anticipated 2017-18 revenue monitoring outturn position was last reported to the March 2018 Resources Committee. Monitoring is reported four times in the year, with three in year reports and the final outturn position in June of the year following. This report reflects the final outturn position as at 31 March 2018, subject to any changes that may result as part of the audit process.

6 2017-18 Revenue Outturn

- 6.1 The council set its revenue budget in February 2017 as £10.106m, using £1.071m of general reserves to support revenue spending. The budget monitoring reports show the variance to the use of reserves reflecting any under or over spending on the budget set. The areas that contribute to this movement are summarised in Appendix 1 of the report.
- 6.2 The monitoring of the outturn position is required in order to identify any under or over spends that occur during the year and to identify any mitigating actions.
- 6.3 An underspend can either be expenditure which is less than budget, or income which has exceeded the budget (or a combination of both), and an overspend is the opposite of this.
- 6.4 The revenue monitoring position reported in March 2018 showed that at the end of January 2018 the forecast use of reserves to balance the budget was £1.967m. Compared to the original budget estimate of £1.071m, this was £0.896m more than originally expected. This was made up of:
- Total net service overspend - £0.896m
 - Total net movement in External Funding - £0m
- 6.5 The final outturn position has now been calculated and £0.837m of general reserves was used to fund the 2017-18 outturn position. This represented a favourable movement of £1.130m on the previous forecast position, which is broken down as follows:
- Net service overspend: £0.858m (a favourable movement of £0.038m)
 - Net increase in External Funding: £0.272m (a favourable movement of £0.272m)
- 6.6 The final net service overspend of £0.837m and the movement in reserves of £0.234m is shown in the table below, following the reported movements throughout the financial year, and further detailed in 6.7

	Outturn as at 30.06.17	Outturn as at 30.09.17	Outturn as at 31.01.18	Outturn as at 31.03.18	TOTAL 2017-18
	£'000	£'000	£'000	£'000	£'000
Budgeted Use of General Reserves	1,071	1,202	1,777	1,967	837
Budget Savings:					
1 Net establishment savings across the services		-198	-27	-116	-341
2 Additional income from JDU fund		-76			-76
3 The adoption of North Northants Core Spatial Strategy		-60		-30	-90
4 Investment Property rate refunds due to revaluation and utility savings	-10	-38	11	-49	-86
5 No borough elections due until 2019	-35	-			-35
6 Reduced spend on repairs and maintenance across the estate		-16		-122	-138
7 Local Plan reprofiled spend				-110	-110
8 Saving of grant expenditure		6	-15	-17	-26
9 Higher number of participants in the Waendel Walk		-9			-9
10 Reduced costs and increased income for environmental health		-2		-12	-14
11 Reduction in bad debt provision				-165	-165
12 Additional income to fund service costs				-44	-44
13 More than anticipated income for housing benefit grants/DHP.				-217	-217
14 Training underspend				-7	-7
15 Additional income from property lettings		16	-4	-132	-120
16 Corporate Contingency				-128	-128
17 Audit fee and bank charges				-13	-13
18 Printing/photocopying and advertising savings				-30	-30
19 Saving on legal service fees				-20	-20
20 Net savings across the services	2	8	-5	-7	-2
Total Budget Savings	-43	-369	-40	-1,219	-1,671
Budget Pressures:					
21 Feasibility costs of key project investigations for property matters approved in principal	40	-7	7	-23	17
22 Predicted reduced planning fee income			100	6	106
23 Reduction in recovered court costs			31	-9	22
24 Agency costs to cover vacant posts and long term sickness		257		38	295
25 Net homelessness costs not covered by housing benefit subsidy		102	45	143	290
26 Reduction in benefit subsidy due to the increase in homelessness	66	256	104	-146	280
27 Reduction in rent allowance subsidy		251	-38	260	473
28 Reduction in anticipated return on investments		32			32
29 Net trading overspend for The Castle Theatre	68	35	-20	-43	40
30 IT Transformation project				70	70
31 CODE scheme has ended so will not generate any income		6			6
32 Additional security for evening meetings		7		-2	5
33 Professional rating valuation fees		8	9		17
34 Salaries Capitalisation		-18		67	49
35 IT costs to be offset by New Burdens grant		15	-8		7
Total Budget Pressures	174	944	230	361	1,709
Net Budget Pressure/-Saving	131	575	190	-858	38
Use of Reserves Before Funding Reduction	1,202	1,777	1,967	1,109	875
Funding Movements:					
36 Business Rates				-1	-1
S31 & Other Grant Income				-271	-271
Net Funding Reduction	-	-	-	-272	-272
Total Use of Reserves	1,202	1,777	1,967	837	603
Net Movement in Use of Reserves	131	575	190	-1,130	-234

6.7 Variance Analysis

Budget Savings:

- 1) Net establishment savings-there have been savings across the establishment for staffing costs. These are due mainly to vacancies, short and long term. This has partially been offset by the increase in use of agency cover
- 2) Planning and Building Control-is a result of funding provided by the Joint Delivery Unit income which was increased by £76k.
- 3) Planning and Building Control-the adoption of North Northants Core Spatial Strategy has led to a reduction in expenditure due to a fewer number of appeals being made
- 4) Investment Property-there was a reduction in the cost of business rates due to revaluation and a decrease in vacant properties. The reduction in the number of vacant properties also helped to reduce the utility costs.
- 5) Democratic Services – There were savings of £35k due to there being no Borough Council elections due to take place until 2019.
- 6) Reduced spend on repairs and maintenance-Investment Properties had an underspend of £195k across the estate. Spending has been ongoing all year but some works have not progressed as quickly as originally anticipated. Some of the savings have been mitigated by overspends in other areas.
- 7) Planning Policy and Regeneration-Local Plan activity and spend has been re-profiled, which has resulted in the budget underspend.
- 8) Savings of grant expenditure-due to a property being leased to a new tenant who would not be eligible to receive the grant which had been budgeted for and monies not being fully utilised before the year end.
- 9) Waendel Walk-income was increased by £9k due to a higher number of participants, in 2017-18, on the walks.
- 10) Environmental Health-across the service there was many small net savings on travel and services with an increase in income, all contributing to the £14k underspend
- 11) Reduction in bad debt provision, this saving was across three areas (sundry, investment property & housing benefit overpayments). Of the £165k reduction required, £119k of this was attributable to investment property, which is as a result of an increased focus on debt recovery.
- 12) Planning Policy and Regeneration-unbudgeted income resulting from a member of staff being on secondment and officers' contribution from the JPU.
- 13) Revenue and Benefits Operational-unbudgeted income resulting from £127k of Discretionary Housing Payment grant in addition to £90k increase in housing benefit grant.

- 14) Organisational Development- had an overall training underspend of £14k due to a reduced need
- 15) Investment Property-a decrease in the number of vacant properties with enhanced rental charges has led to an increase in income
- 16) Corporate Contingency-of the £130k held as a contingency, to cover inflationary or other service pressures, only £2k was required
- 17) Audit Fee and Bank Charges-this produced a saving of £11k reduction in the cost of the contract and a saving in bank charges
- 18) Democratic Service-Printing/photocopying and advertising savings mainly from the Register of Electors. More responses from the public means that less reminders are required to be sent out.
- 19) Legal Services-a saving on the cost of the legal shared services contract.
- 20) Small miscellaneous net savings across the service have resulted in a £2k underspend

Budget Pressures:

- 21) Feasibility cost of key project investigations for property matters approved in principal, have resulted in an overspend of £17k.
- 22) Planning and Building Control- reduced planning fee income is demand led and difficult to accurately forecast.
- 23) Revenue and Benefits service-a reduction in recovered court costs due to non-payment from customers.
- 24) Agency costs-this is to cover vacant posts and long term sickness as identified under net establishment savings.
- 25) Housing-Net homelessness costs, this pressure relates to households who are classified as homelessness but not eligible to claim housing benefit, officers are identifying ways this can be mitigated.
- 26 & 27) Housing Benefit Subsidy – The total amount of housing benefit paid out in 2017-18 was £20.932m as a result of ongoing homelessness pressures and other areas where subsidy cannot be fully recovered, the council has only been able to claim back £20.179m, which has resulted in the budget pressure of £0.753m
- 28) Accountancy-reduction in return on investments due to continuing low interest rates.
- 29) The Castle-there has been a net trading overspend. As the theatre will shortly have a new operator, works are being carried out to increase the standard of the facility, this along with the day to day running costs contributed to the overspend

- 30)IT Transformation project – This underspend is detailed further in section 7 of the report.
- 31)Housing-the CODE scheme has ended so will not generate any income
- 32)Democratic Services-additional security has been put into place for evening meetings
- 33)Revenue and Benefits Operational-increased costs of assessing rateable value of properties in the borough
- 34)Planning-both Planning Policy and Planning and Building Control have had reduced capitalisation of salaries. In both cases this is due to a lack of staff required to carry out the schemes
- 35)IT costs to be offset by new Burdens Grant which was not originally budgeted for.

Funding Movements:

- 36)The balance for unbudgeted external income relates to Section 31 grants we receive from central government to offset the “loss” in business rates income as a result of central government policy. The additional income relates to the difference between the estimated claim (January 2017) and the final claim (March 2018).

6.8 Table 1 shows the movement on ear marked reserve:

	£'000	£'000
Revenue Ear Marked Reserves as at 1.4.17		-3,170
a Use of reserves in year:		
Property Service Charges	90	
Homelessness	7	
Broadband Infrastructure	76	
Members IT Allowance	3	176
b Increase in reserves in year:		
Property Service Charges	-52	
Individual Electoral Registration	-27	
Custom and Self Build	-30	
Brownfield Register	-5	-114
Total Service Ear Marked Reserves		62
c New Reserves In Year		
Members Allowances Costs	-25	
Homelessness Prevention	-92	
Norse Development	-165	
Voluntary Sector	-30	-312
Estimated Ear Marked Reserves as at 31.3.18		-3,420
Revenue General Fund Reserves as at 31.3.18		-3,155
Total Revenue Reserves as at 31.3.18		-6,575

6.9 A table detailing the ear marked reserves, as per the 2017-18 statement of account is detailed below:

Reserves	Balance 31st March 2016	Transfers in 2016/17	Transfers out 2016/17	Balance 31st March 2017	Transfers in 2017/18	Transfers out 2017/18	Balance 31st March 2018
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Efficiency and Services Transformation	-498	-	143	-355	-	-	-355
Organisational Property	-250	-	-	-250	-	-	-250
Investment Property	-	-186	-	-186	-	-	-186
Broadband Infrastructure	-124	-	48	-76	-	76	-
ICT Infrastrucutre	-20	-	17	-3	-	-	-3
Members IT Allowance	-14	-	4	-10	-	3	-7
Wollaston HWRC	-56	-	56	-	-	-	-
Welfare Reform	-250	-	-	-250	-	-	-250
Business Rates Retention	-1,266	-	-	-1,266	-	-	-1,266
Leisure Services	-180	-	-	-180	-	-	-180
Property Service Charges	-245	-77	157	-165	-52	90	-127
Community Rights	-30	-	-	-30	-	-	-30
Individual Electoral Registration	-28	-36	-	-64	-27	-	-91
VAT Reserve	-95	-	7	-88	-	-	-88
Miscellaneous Revenue Grants Reserve	-166	-34	16	-184	-	7	-177
Neighbourhood Dev Reserve	-2	-9	-	-11	-	-	-11
Custom & Self Build Reserve	-	-21	-	-21	-30	-	-51
Brownfield Register Reserve	-	-15	-	-15	-5	-	-20
New Burdens Impact Reserve	-16	-	-	-16	-	-	-16
Members Allowance Costs	-	-	-	-	-25	-	-25
Homelessness	-	-	-	-	-92	-	-92
Norse Development Reserve	-	-	-	-	-165	-	-165
Voluntary Sector Reserve	-	-	-	-	-30	-	-30
Earmarked Reserves	-3,240	-378	448	-3,170	-426	176	-3,420
General Fund	-4,522	-448	978	-3,992	-176	1,013	-3,155
	-7,762	-826	1,426	-7,162	-602	1,189	-6,575

6.10 Table 2 compares the actual outturn against the budget set and the variance for the year, before and after the application of ear marked reserves:

Table 2

	Original Budget 2017/18	Revised Budget 2017/18	Revised Budget 2017/18 (Post-Reserves)	Actual Expenditure to 31st March 2018	Variance at Period 13 Before Reserves	Application of Ear Marked Reserves	Revised Variance After Reserves
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Environmental Health Protection	426	435	435	391	-44	0	-44
Planning Policy and Regeneration	696	696	661	533	-163	35	-128
Planning and Building Control	106	132	132	147	15	0	15
Environmental Services	3,863	4,001	3,836	3,921	-80	165	85
Organisational Development	221	226	226	187	-39	0	-39
Democratic Services	768	804	755	675	-129	49	-80
Investment Property	-1,523	-1,527	-1,487	-2,044	-517	-40	-557
Operational Property	838	849	849	943	94	0	94
Information Technology Shared Service	1,008	884	1,246	1,316	432	-362	70
District Law Shared Service	146	146	146	126	-20	-	-20
Community Support	1,759	1,761	1,729	1,727	-34	32	-2
Housing	481	490	409	627	137	81	218
Accountancy	567	494	494	474	-20	-	-20
Internal Audit	65	65	65	56	-9	-	-9
Revenues and Benefits - Operational	384	299	299	130	-169	-	-169
Revenues and Benefits - Benefit Subsidy	-121	-19	-19	760	779	-	779
Other Income and Expenditure	-273	-325	-325	-458	-133	-	-133
Corporate Management	193	193	193	171	-22	-	-22
Parish Precepts	502	502	502	502	-	-	0
2017/18 Budget Requirement	10,106	10,106	10,146	10,184	78	-40	38
Government Funding	-806	-806	-806	-806	-	-	-
Business Rates	-2,289	-2,289	-2,289	-2,290	-1	-	-1
Section 31 Grant	-754	-754	-754	-1,020	-266	-	-266
Council Tax	-3,887	-3,887	-3,887	-3,887	-	-	0
New Homes Bonus	-1,299	-1,299	-1,299	-1,304	-5	-	-5
Use of Flexible Capital Receipts	-	-	-290	-290	-290	290	-
Use of General Fund Reserves	-1,071	-1,071	-1,071	-837	234	-	234
Ear Marked Reserves	-	-	250	250	250	-250	-
2017/18 Funding	-10,106	-10,106	-10,146	-10,184	-78	40	-38

6.11 A detailed breakdown of the service expenditure variances by service area with explanatory notes is shown at Appendix 1.

7 Flexible use of capital receipts

7.1 As part of the flexible use of capital receipts powers, the council has utilised £290k of capital reserves to offset revenue transformation costs, which are broken down as follows:

- a) £4k for homelessness mitigation investigations
- b) £286k for Phase 1 of the IT transformation strategy

7.2 Phase 1 of the IT transformation programme achieved savings of £80k in 2017-18 against a target of £150k, the reason for the variance is as a result of additional technical resources having to be purchased, due to key staff leaving earlier than planned.

7.3 The overall profile of savings, for both East Northants and Wellingborough council, against the original IT Service cost baseline of circa £2m are largely on track and are represented in the following table:

Area of Programme	2016/17	2017/18	2018/19	2019/20
Revenue Savings Plan				
Infrastructure / Applications	£0k	£10k	£80k	£160k
Staffing	£30k	£200k	£340k	£400k
Annual Savings Targets	£30k	£210k	£420k	£560k
Original Savings Targets	£30k	£299k	£509k	£549k

7.4 In addition to the savings, phase 1 of the programme focused on the infrastructure and application area and the following has been delivered:

- Migration of all Exchange email boxes to Office 365 in the Cloud simplifying the setup.
- Design, procurement and fit out of a new data centre operation at Crown Hosting (off-site).
- Design, procurement and delivery of a new wide area network replacing multiple suppliers.
- Established new solutions to strengthen security and data protection.
- Migration of a range of technical applications to the data centre.
- Migration to a new consolidated Capita payments setup.
- Re-design and streamlining of the IT Service.
- Procurement and implementation of new Telephony solutions at the data centre.
- Business case and procurement for a shared ENC/BCW Revenues & Benefits solution.
- External migration of iDox (planning software) with new service support arrangements.
- Basis established for streamlined infrastructure and sustained savings.

8. 2018-19 Revenue Budget and Reserves

8.1 When the 2018-19 budget was presented to resources committee on 7 February 2018, it was anticipated £1.77m of general fund reserves would be drawn down to fund the underlying budget deficit in 2017-18. The impact of this was the council would breach its minimum level of reserves of £1.75m in 2019-20, if no further savings or service changes were identified.

- 8.2 As reported in section 6 of this report, this figure has reduced to £0.837m and the impact on the general fund reserves position is as follows:

	2017-18	2018-19	2019-20	2020-21	2021-22
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
<i>Original as per Council February 2018:</i>					
General Fund Reserves as at 1st April	-3,992	-2,215	-1,759	-716	1,956
Less used to fund annual base shortfalls	1,777	456	1,043	2,672	2,749
Total revised General Fund Balance	-2,215	-1,759	-716	1,956	4,705
<i>Projected as per Outturn May 2018:</i>					
General Fund Reserves as at 1st April	-3,992	-3,155	-2,699	-1,656	1,016
Less used to fund annual base shortfalls	837	456	1,043	2,672	2,749
Total revised General Fund Balance	-3,155	-2,699	-1,656	1,016	3,765

- 8.3 The table shows, even with this unexpected windfall and with no allowance made for any further service pressures or reduction in external income, the reserve balance would still be marginally breached in 2019-20.

9. Legal Powers

Local Government Act 2003

10. Financial and Value for Money Implications

The financial accounts will be reviewed on completion of the closure of accounts process to see if there is a need for virements. These will be reported to future Resources Committees if required.

11. Risk Analysis

Nature of risk	Consequences if realised	Likelihood of occurrence	Control measures
Error in reported position	Over spend and reduced Reserves and Balances	Low due to level of quality assurance	Robust financial arrangements.
Changes in Service outturn positions	Revised outturn	Low until the Annual Audit has been completed	Robust financial arrangements.

12. Implications for Resources

None identified.

13. Implications for Stronger and Safer Communities

No specific implications.

14. Implications for Equalities

No specific implications.

15. Author and Contact Officer

Caroline Conway-Hook, Service Accountant
Samantha Knowles, Section 151 Officer

16. Consultees

Liz Elliott, Managing Director
Bridget Lawrence, Director
Julie Thomas, Director

17. Background Papers

Financial Services budget monitoring working papers.
2017-18 – 2020-21 Medium Term Financial Plan

Summary of Budget Monitoring at 31st March 2017/18 Final Outturn

Service Area	Original Budget 2017/18	Revised Budget 2017/18	Profiled Budget	Actual Expenditure to Period 13	Actual Expenditure to Period 13	Variance at Period 13	Comments & Remedial Actions
	£000's	£000's	£000's	£000's		£000's	
	(a)	(b)	(c)	(d)		(e)	
Community Support	1,759	1,761	1,729	1,727	1,727	-2	<p>Savings: £23k reduction on salary costs £7k increase in income due to higher than anticipated participants during the Waendel Walk. £25k reduced spend on grants & subscriptions £3k reduced spend on travel costs £15k reduced spend on services</p> <p>Pressures: £40k net pressure for operation of The Castle Theatre. £29k spend on utilities £4k overspend on insurance</p>
Environmental & Health Protection	426	435	435	391	391	-44	<p>Savings: £31k saving on establishment costs £5k increase in income £4k reduction in travel costs £3k underspend on services £2k miscellaneous savings across the service</p> <p>Pressures: £1k increase in the cost of travellers sites</p>
Housing	481	490	409	627	627	218	<p>Savings: £15k staff savings due to long term sickness and vacancies £8k car allowance savings due to sickness and staff vacancies £5k general services costs for Private sector renewal</p> <p>Pressures: £240k net homelessness costs not covered by housing benefits reimbursements due to more applicants being employed and therefore not entitled to benefit - based almost entirely on the increase on the cost of homeless - I am wondering if there is some income outstanding £6k CODE scheme has ended so it will not generate the anticipated income</p>
Planning Policy and Regeneration	696	696	661	533	533	-128	<p>Savings: £77k reduction in salary costs due to vacant post £110k underspend on services £44k unbudgeted fees and charges £8k saving on insurance costs £7k underspend on printing, photocopying & advertising</p> <p>Pressures: £7k electricity costs. £29k reduction in grant income and reimbursements £71k reduction in capital salaries £11k overspend on repairs & maintenance</p>
Planning and Building Control	106	132	132	147	147	15	<p>Savings: £90k reduction in expenditure due to fewer numbers of appeals being made. £76k income as a result of funding provided by the Joint Delivery Unit. £6k saving due to a reduction in expenditure relating to travel costs £4k unbudgeted capital salary</p> <p>Pressures: £106k reduction in Planning Fee Income. £85k net increase in salaries due to costs of employing Agency Staff.</p>
Environmental Services	3,863	4,001	3,836	3,921	3,921	85	<p>Pressures: Increase in services supplied</p>
Organisational Development	221	226	226	187	187	-39	<p>Savings: £30k due to vacancy pending restructure £7k underspend on training £2k miscellaneous savings</p>

Revenue Monitoring Position to 31 March 2018

Service Area	Original Budget 2017/18	Revised Budget 2017/18	Profiled Budget	Actual Expenditure to Period 13	Actual Expenditure to Period 13	Variance at Period 13	Comments & Remedial Actions
	£000's	£000's	£000's	£000's		£000's	
	(a)	(b)	(c)	(d)		(e)	
Democratic Services	768	804	755	675	675	-80	<p>Savings: £35k as no Borough elections due until 2019 £3k saving across the service £23k printing and postage savings £15k members costs saving as remuneration was delayed and costs not known at the time £8k savings on communication services due to staffing vacancy £4k miscellaneous savings across the service</p> <p>Pressures: £5k additional security for evening meetings £3k overspend on salaries, savings on salaries paid for agency cover</p>
Investment Property	-1,523	-1,527	-1,487	-2,044	-2,044	-557	<p>Savings: £75k saving on rates across the estate £195k reduced spend on repairs and maintenance. £15k saving on grant spend £119k reduction in bad debt provision £67k underspend on services (over £50k saving on Underwoods contract) £115k additional unbudgeted for rental income due to more units being let and increased rents £6k additional insurance income £6k underspend on utilities and advertising and insurance costs £7k miscellaneous savings</p> <p>Pressures: £40k rent payable to landlord at Faraday Ct £8k cost as BCW contribution to vacant units</p>
Operational Property	838	849	849	943	943	94	<p>Savings: £30k rent income not previously budgeted for £40k savings on utilities</p> <p>Pressures: £17k for new Assistant Director during handover period £25k for agency staff £3k spend for advertising for new Assistant Director post £61k service charges £17k urgent lift work at Tithe Barn £21k overspend on repairs, maintenance and services £20k scattering lawn at the Crem</p>
Information Technology Shared Service	1,008	884	1,246	1,316	1,316	70	<p>Pressures: £70k underachievement of ICT transformation strategy savings</p>
District Law Shared Service	146	146	146	126	126	-20	<p>Savings: £20k reduction in legal service contract fee</p>
Accountancy	567	494	494	474	474	-20	<p>Savings: £35k net establishment savings £3k procurement savings</p> <p>Pressures: £18k increase in insurance costs</p>
Internal Audit	65	65	65	56	56	-9	<p>Savings: £9k reduction in audit service fees</p>
Revenue and Benefits - Benefit Subsidy	-121	-19	-19	760	760	779	<p>Savings: £24k bad debt adjustment for housing benefit overpayments</p> <p>Pressures: £142k Increase in homelessness pressures leading to a reduction in subsidy that can be claimed and costs of benefits to be paid out £140k increase in the cost of housing benefits overpayments £473k reduction in Rent Allowance grant, partially offset by a reduction in benefits paid</p>

Revenue Monitoring Position to 31 March 2018

Service Area	Original Budget 2017/18	Revised Budget 2017/18	Profiled Budget	Actual Expenditure to Period 13	Actual Expenditure to Period 13	Variance at Period 13	Comments & Remedial Actions
	£000's	£000's	£000's	£000's		£000's	
	(a)	(b)	(c)	(d)		(e)	
Revenue and Benefits - Operational	384	299	299	130	130	-169	<p>Savings: £217k more housing benefit grants/DHP than expected previously £15k receipt of unbudgeted New Burdens grants and variation on the Housing Benefit Administration grant.</p> <p>Pressures: £22k reduction in recovered court costs £17k increased costs of agency staff to cover long term sickness, partially offset by staff vacancy £17k increased costs of assessing rateable value of properties in the Borough £7k increased IT costs offset against a relevant New Burdens grant</p>
	9,684	9,736	9,776	9,969	9,969	193	
Corporate Contingency	110	130	130	2	2	-128	
Bad Debt Provision	10	10	10	-12	-12	-22	
Depreciation & Amortisation	-1,558	-1,630	-1,630	-1,630	-1,630	0	
Non Distributed Costs- Pension Fund	1,324	1,324	1,324	1,322	1,322	-2	
Investment Income	-225	-225	-225	-193	-193	32	Pressures: Reduction in anticipated return on investments due to fall in interest rates after budget setting
Audit Fee & Bank Charges	66	66	66	53	53	-13	
Other Income and Expenditure	-273	-325	-325	-458	-458	-133	
Corporate Management	193	193	193	171	171	-22	
Parish Precepts	502	502	502	502	502	0	
2017/18 Budget Requirement	10,106	10,106	10,146	10,184	10,184	38	
Government Funding	-806	-806	-806	-806	-806	0	
Business Rates	-2,289	-2,289	-2,289	-2,290	-2,290	-1	
Section 31 Grant	-754	-754	-754	-1,020	-1,020	-266	
Council Tax	-3,887	-3,887	-3,887	-3,887	-3,887	0	
New Homes Bonus	-1,299	-1,299	-1,299	-1,304	-1,304	-5	
Use of Flexible Capital Receipts	0		-290	-290	-290	-290	
Use of General Fund Reserves	-1,071	-1,071	-1,071	-837	-837	234	
Ear Marked Reserves	0		250	250	250	250	
2017/18 Funding	-10,106	-10,106	-10,146	-10,184	-10,184	-78	
Net Position	0	0	0	0	0	-40	

