

Agenda Item	<b>8.</b>
Report No	<b>RES/27/19</b>

## THE HIGHLAND COUNCIL

**Committee:** Corporate Resources Committee

**Date:** 28 August 2019

**Report Title:** Corporate Resources Service and Welfare Budget – Revenue Monitoring to 30 June 2019

**Report By:** Executive Chief Officer Resources and Finance

### 1. Purpose/Executive Summary

- 1.1 This report comments on the Quarter 1 Revenue monitoring position for the period to 30 June 2019.
- 1.2 The report covers the Corporate Resources and Welfare Budgets, and comments on the main budget variances for which the Service has direct responsibility. Other areas, such as Loans Fund and Council Tax, are contained within the Corporate Revenue Monitoring Report which is a separate item on this agenda.

### 2. Recommendations

- 2.1 Members are asked to:
  - i. Consider the Revenue Monitoring position for the period to 30 June 2019.

### 3. Implications

- 3.1 Resource implications are noted in this report.
- 3.2 In terms of Equalities, the Welfare Budget illustrates how the Council is utilising resources to meet demand for financial support by supporting families and individuals and ensuring take-up of available benefits.
- 3.3 There are no Legal, Climate Change/Carbon Clever, Rural, Risk or Gaelic implications arising as a direct result of this report

#### **4. Corporate Resources Service Revenue Budget 2019/20**

- 4.1 **Appendix 1** is the monitoring statement showing actual expenditure and the estimated year-end outturn against the budget at 30 June 2019. The Service is showing an outturn of £25.629m against a net annual budget of £25.755m, representing an underspend of £0.126m.
- 4.2 From the 1 April 2019, the Service has taken steps to achieve the 2019/20 savings through deletion of vacant posts and spending controls.
- 4.3 The Service remains focussed on minimising expenditure by holding back on filling vacant posts and by minimising discretionary expenditure where possible.
- 4.4 The Directorate Section includes all of the Service's unallocated efficiency savings from previous years which are yet to be allocated permanently to other budget headings in the Service. However, where possible during the year the service savings targets will be allocated to Heads of Service to manage in their budgets throughout the year.
- 4.5 ICT are showing an underspend of £0.023m which is due to staffing vacancies.
- 4.6 In Revenues, Business Support and Customer Services the forecasted underspend is £0.324m. This is predominantly based on staffing underspends.
- 4.7 The underspend in Corporate Finance and Commercialism is £0.075m and is based on an anticipated underspend in the Procurement Section.
- 4.8 The underspend in Audit and Performance is £0.025m and is due to vacancy management and tight controls on discretionary spend.

#### **5. Welfare Budget 2018/19**

- 5.1 **Appendix 2** is the monitoring statement and shows actual expenditure and the outturn against the budget at 30 June 2019. The Quarter 1 position is a balanced budget.
- 5.2 CTRS is a demand-led adjustment to council tax bills, funded by the Scottish Government, which sets the rules for the scheme. As reported to previous committees, excellent processing times and benefits promotion including those delivered by Welfare Support and Advice staff across Highland supports a positive share of the national fund.
- 5.3 Housing Benefit reports a balanced budget at this stage in the financial year. Whilst Housing Benefit is generally funded by the Department for Work and Pensions (DWP), it is not fully funded. For example, where Housing Benefit has been overpaid as the customer has not advised the Council timeously of a material change in their circumstances.
- 5.4 The prompt processing of change in circumstances when notified supports this budget and maximises DWP subsidy. Highland Council delivers very good Housing Benefit processing times as reported later in this agenda in the Service's Performance report. Collection of overpaid Housing Benefit also shows positive performance supporting this budget heading.

Designation: Executive Chief Officer Resources and Finance

Date: 12/08/19

Author: Rachel Rae, Trainee Accountant

Background Papers: None

# CORPORATE RESOURCES SERVICE Revenue Expenditure Monitoring Report

**1 April 2019 to 30 June 2019**

	£000 Actual Year To Date	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
<b>BY ACTIVITY</b>				
Directorate	(470)	(434)	(118)	316
People	461	1,841	1,846	5
ICT Services	3,191	10,927	10,904	(23)
Revenues, Business Support & Customer Services	2,777	9,317	8,993	(324)
Corporate Finance & Commercialism	28	3,506	3,431	(75)
Audit & Performance	153	598	573	(25)
<b>Total Corporate Resources</b>	<b>6,140</b>	<b>25,755</b>	<b>25,629</b>	<b>(126)</b>
<b>BY SUBJECTIVE</b>				
Staff Costs	4,961	17,394	17,272	(122)
Other Costs	1,965	13,197	13,197	-
<b>Gross Expenditure</b>	<b>6,926</b>	<b>30,591</b>	<b>30,469</b>	<b>(122)</b>
Grants	(273)	(793)	(793)	-
Other Income	(513)	(4,043)	(4,047)	(4)
<b>Total Income</b>	<b>(786)</b>	<b>(4,836)</b>	<b>(4,840)</b>	<b>(4)</b>
<b>Total</b>	<b>6,140</b>	<b>25,755</b>	<b>25,629</b>	<b>(126)</b>

## Notes

1. %age of Annual Expenditure	Jun 1920	24%
	Jun 1819	25%

<b>WELFARE BUDGET</b>		ACTUAL	ANNUAL	ESTIMATED	VARIANCE
<b>1 April to 30th June 2019</b>		YTD	BUDGET	OUTTURN	
		£000	£000	£000	
<b>Housing Benefits</b>		10,222	38,147	38,147	0
<b>Council Tax Reduction Scheme</b>		12,123	12,300	12,300	0
<b>Scottish Welfare Fund</b>					
- Community Care Grants		243	860	860	0
- Crisis Grants	awarded	41	246	246	0
	Paypoint prepayment*	93			
		<u>376</u>	<u>1,106</u>	<u>1,106</u>	<u>0</u>
<b>Educational Maintenance Allowances</b>		217	689	689	0
<b>School Clothing Grants</b>	awarded	16	565	565	0
	Paypoint prepayment*	156			
		<u>172</u>	<u>565</u>	<u>565</u>	<u>0</u>
<b>Advice Services</b>					
- Citizens Advice Bureau		574	1,146	1,146	0
		<u>574</u>	<u>1,146</u>	<u>1,146</u>	<u>0</u>
<b>GROSS WELFARE BUDGET</b>		<u>23,684</u>	<u>53,953</u>	<u>53,953</u>	<u>0</u>
<b>Income</b>					
DWP - HB Subsidy		(8,526)	(35,425)	(35,425)	0
Educational Maintenance Allowances		(131)	(689)	(689)	0
Advice & Information Services		(127)	(136)	(136)	0
		<u>(8,783)</u>	<u>(36,250)</u>	<u>(36,250)</u>	<u>0</u>
<b>NET WELFARE BUDGET</b>		<u><u>14,901</u></u>	<u><u>17,703</u></u>	<u><u>17,703</u></u>	<u><u>0</u></u>

\* As required by the Financial Conduct Authority