

BUDGET MONITORING - KEY SERVICE AREAS 2016-17
1 APRIL 2016 - 29 JANUARY 2017

APPENDIX B

Main Code	Service Area	Latest Approved Budget £	Budget to Period 10 £	Adjusted Actual to Period 10 £	-----Variance-----		Projected Full Year Variance () = Favourable £
					Adverse £	Favourable £	
	General Expenses						
	<u>EXPENDITURE</u>						
372	Rent Rebates - Non HRA	2,860	35,000	35,000		-	3,060 ☹️
							At the stage of budget setting, a number of claims were included under this budget which have since been re-defined under 373 and 375. Those that remain are those which attract less subsidy which has resulted in the subsidy % falling. B&B and homelessness are not currently increasing at the same rate as first predicted. Universal Credit rollout will create significant risks, the impact of which are currently unknown. It is expected that this budget will eventually phase out in 2017/18 as the type of claimants are those that have now transferred to UC.
373	Rent Rebates-HRA Properties (Net)	(51,210)	(45,508)	(239,431)		193,923	(52,110) 😊😊
							Subsidy predicted is currently higher than budgeted due to lower claimant errors than previously predicted. However, this is a highly volatile budget and can fluctuate. There is a gradual trend in the decrease of the subsidy % which could be due to universal credits being introduced but it is still too early to determine the impact. Year end position on overpayments amounts to £25k of the projected variance. Claimants returning to benefits affects this position however with the rollout of UC it is expected that a lower number of claimants will return to benefits in this way. The year end variance has been adjusted very slightly to allow for amendment to final year 2015/16 subsidy amount following audit.
375	Rent Allowance Payments (Net)	(98,790)	(85,159)	(220,725)		135,566	1,050 ☹️
							Subsidy predicted is higher than budgeted for due to lower claimant errors than predicted. However, this is a highly volatile budget and can fluctuate. The year end position on overpayments is a shortfall against budget of £14k due to more effective processing which has led to lower volumes and amounts of overpayments being raised. Claimants returning to benefits also affects this position however with the rollout of UC it is expected that a lower number of claimants will return to benefits in this way. The year end variance has been increased by £2.7k to allow for amendment to final year 2015/16 subsidy amount following audit.

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Main Code	Service Area	Latest Approved Budget	Budget to Period 10	Adjusted Actual to Period 10	-----Variance-----		Projected Full Year Variance () = Favourable
					Adverse	Favourable	
		£	£	£	£	£	£
	General Expenses						
410	Homelessness	141,470	132,132	120,360		11,772	0 ☺
471	Customer Services	886,760	742,698	615,114		127,584	(21,190) ☺☺
	Total Expenditure	881,090	779,163	310,318	0	468,845	(69,190)

In recent months there has been more short term usage. Due to the recent decreased demand, there is the potential for there to be an underspend on B&B costs against budget. However, this demand may increase over the winter months due to cold weather provision required and therefore no underspend currently included in the projected full year variance. This will be closely monitored. Should there be an underspend, part of this will be offset by loss of associated income.

Vacant posts not recruited for, instead posts have been partially backfilled through increasing hours for existing part time employees on a trial basis. Big focus on demand reduction and this saving will contribute towards the target saving for transformation. Also, other small savings and increase in expected service charge income. Note: there may be the requirement to make temporary arrangements for benefit support following structural changes for which a virement to other services may be required should the need arise later in the year.