



COUNCIL – 28 JANUARY 2013

**LEICESTERSHIRE REVENUE AND BENEFITS PARTNERSHIP BUDGET
2013/14**

REPORT OF THE DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)

WARDS AFFECTED: ALL WARDS

1. PURPOSE OF REPORT

- 1.1 To obtain approval of the 2013/14 budget for the Leicestershire Revenue and Benefits Partnership in line with the signed Partnership agreement.

2. RECOMMENDATIONS

- 2.1 That Council approves Hinckley & Bosworth Borough Council's contribution to the Leicestershire Revenues and Benefits Partnership. This will be a one off contribution for 2013/14 of £57,350.

3. BACKGROUND

- 3.1 The timetable for budget setting for the Leicestershire Revenues and Benefits Partnership (the Partnership) are outlined in the Schedule 3 of the Partnership agreement previously approved by Council on 30th September 2010. The agreement requires a draft budget to be approved by the Joint Committee before 31st November each year, formal approval of the budget by individual partners by 31st January.
- 3.2 The draft budget for the Partnership was approved by the Joint Committee at its meeting on 20th November 2012 and endorsed by the Joint Management Board on 19th December 2012.
- 3.3 In preparing the budget for 2013/14 the following factors and assumptions have been taken into account:
- Actual spend for 2012/13 has been used as an indicator where relevant;
 - A provision for a 1% pay award has been made for 2013/14;
 - The need for a vacancy provision was reviewed in order to identify savings in salary costs;
 - In terms of general inflation no provision has been made other than for contractual increases at 3.2% RPI. This assumption has been applied to the budgets for printing, flexible working, annual billing, postage and telephone and contributes to £21,095 increase in budget.
- 3.4 The proposed budget for the Partnership for 2013/14 has been detailed below.

Expenditure / Income Type	2012/13 Latest Budget to Date (£)	2013/14 Budget (£)	Increase/ Decrease on 2012/13 Budget (£)
Employees	2,588,400	2,678,690	90,290
Premises Related Expenditure	73,150	77,940	4,790

Transport Related Expenditure	67,260	48,000	-19,260
Supplies & Services	664,460	704,460	40,000
Central & Administrative Exp	31,200	31,200	0
Revenue Income	-3,424,470	-3,520,670	-96,200
Contributions from HBBC		-19,620	-19,620
	<u>0</u>	<u>0</u>	

3.5 The main variations (excluding those created by inflationary and pay assumptions) are as follows:

- Employees: Salary costs have been increased to reflect that 1 training post has now become full time. In addition, the budget now reflects the full year cost of a debtors officer that transferred from Hinckley and Bosworth in 2012/13. Half of these costs have been met by Hinckley and Bosworth which is indicated by the “contributions” detailed on the budget summary. As indicated in 3.3, a vacancy provision of £31,430 has been created.
- Premises related expenditure / Rent: Rent has been increased by £2,000 to reflect the additional storage and office space that is being utilised at the Atkins building
- Premised related expenditure/Caretaking and Cleaning: A budget of £2,500 has been set for 2013/14 to reflect the actual costs incurred in 2012/13
- Transport related expenditure/Car Allowances: The cost of car allowances has been reduced by £9,420 following the revision of Hinckley & Bosworth’s car allowance scheme
- Transport related expenditure/Disturbance: Now that the Partnership has been in operation for over 1 year, the prior year disturbance budget of £10,840 has been reduced to £1,000. The remaining budget will meet the costs of officers due to return from maternity leave in year
- Supplies and Services/ Computer Software Maintenance & Upgrade: An additional £18,960 is required in 2013/14 to fund Microsoft upgrades
- Supplies and Services/ Legal Fees: The legal fees budget for housing benefits overpayments administered by the debtors officer has been transferred from HBBC. The income from legal fees will continue to be received by the partners directly, offsetting any costs associated with this budget
- Supplies and Services/ Postage: Postage budgets have been increased by £7,250 to cover price increases

3.6 Partner contributions have been calculated on the basis of the budget and split in accordance with the Partnership Agreement:

Percentage Splits	HBBC	HDC	NWLDC
Salaries	39.78%	28.68%	31.54%
Non salary costs	36.94%	27.12%	35.94%

3.7 Based on this methodology, the estimated contributions for each partner (bar rounding) are as follows:

	HBBC	HDC	NWLDC
	£	£	£
2012/13 Budgeted Contribution	1,338,560	977,850	1,108,050
Total Contributions per Partner for 2013/14	1,395,910	1,005,150	1,139,250
Difference	57,350	27,300	31,200

3.8 A growth bid to the value of £57,350 has been submitted as part of the 2013/14 budget setting process. It should be noted that the Partnership has mobilised the services of "Capacity Grid" who have been charged with identifying savings from reviewing the operation of the Partnership. It is therefore assumed that these savings will reduce contributions from partners and that this growth bid will be "one off".

4 FINANCIAL IMPLICATIONS (KB)

Contained within the body of the report

5 LEGAL IMPLICATIONS (AB)

5.1 The percentage contributions of each Council within the partnership are set out within the Partnership Agreement made between Hinckley and Bosworth Borough Council, Harborough District Council and North West Leicestershire District Council and dated 6th April 2011

5.2 If the budget is not approved the terms of the partnership agreement provide that the Partnership will continue to operate on the same budget as for the previous financial year

6 CORPORATE PLAN IMPLICATIONS

The Council's financial standing is maintained and the finances remain healthy over the period of the plan

7 RISK IMPLICATIONS

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision/project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report/decision were identified from this assessment:

Management of Significant (Net Red) Risks		
Risk Description	Mitigating Actions	Owner
None		

8. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

There are none.

9. CORPORATE IMPLICATIONS

By submitting this report the author has taken the following into account:-

- Community Safety Implications
- Environmental Implications
- ICT Implications
- Asset Management Implications
- Human Resources Implications

Background Papers: Joint Committee Minutes and Budget Papers
 Partnership Agreement

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