

EAST HERTS COUNCIL

EAST HERTS COUNCIL AND STEVENAGE BOROUGH COUNCIL
JOINT REVENUES AND BENEFITS COMMITTEE – 26 JUNE 2017

REPORT BY THE HEAD OF REVENUES AND BENEFITS SHARED
SERVICE

ANNUAL UPDATE

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To report to Committee the position in the following areas:
 - Performance reporting
 - Other challenges
 - Budget outturn

<u>RECOMMENDATION FOR EAST HERTS COUNCIL AND STEVENAGE BOROUGH COUNCIL JOINT REVENUES AND BENEFITS COMMITTEE:</u> That

(A)	The report be received.
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1.0 Background

1.1 This report includes an overview of performance in 16/17 and details future objectives and challenges.

2.0 Report

2.1 Housing Benefit

2.1.1 Housing Benefit processing. (N181)

This performance indicator measures the average processing time for new claims and changes in circumstances.

2.1.1.1 Stevenage N181 was 7.88 days the best result since at least 2009/10.

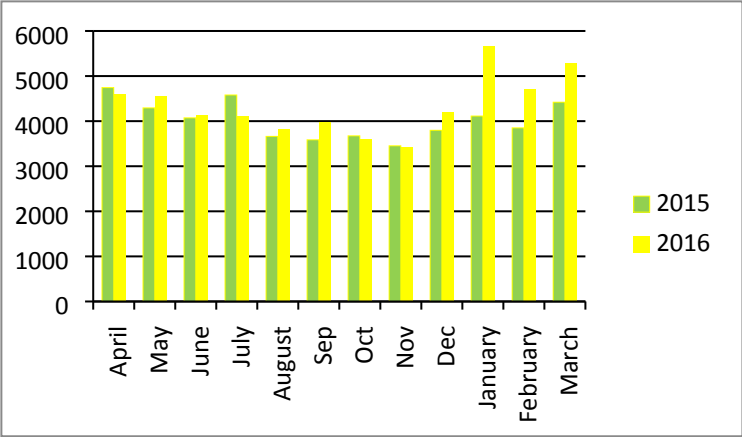
2.1.1.2 East Herts N181 was 7.05 days, the best result since 2008/9.

- 2.1.1.3 These results demonstrate a harmonising of performance across the two Councils.
- 2.1.1.4 These core indicators represent a significant achievement for the shared service in the face of the welfare reforms.
- 2.1.1.5 The level of work received by the Housing Benefit team increased in 2016/17 despite a reducing caseload.
- 2.1.1.6 The overall level of HB post received in 2016/17 increased by 9933 items compared to 2015/16, an increase of 9.44%. The following graphs demonstrate the changes.

Table 1: SBC Housing Benefit work received



Table 2: EHC Housing Benefit work received



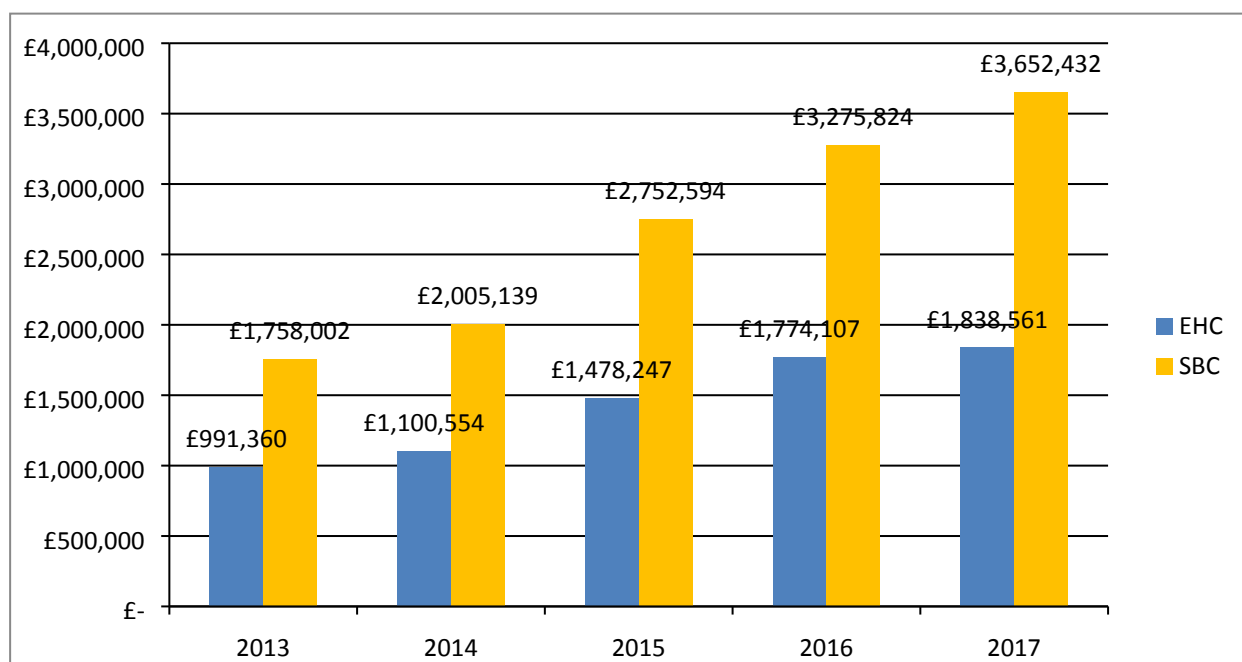
2.1.2 Housing Benefit subsidy.
 The level of Housing Benefit claimed in subsidy reached £67.6m in 2016/17 (subject to audit), less than in 2015/16 (£ 70m)

and reflecting both the lower caseload and the restrictions on benefit entitlements. (£32.8m SBC, and £34.7m for EHC).

2.1.3 HB Overpayments

However with this level of awards being made the value of overpayments also continues to rise.

Table 3: Overpayments outstanding at 1 April each year



2.1.3.1 Whilst the majority of overpayments attract 40% subsidy, there is an increasing burden on the Councils to collect the increasing level of debts.

2.1.3.2 The rates of recovery for those who remain in receipt of Housing Benefit are capped and accordingly many debts will not be repaid for significant periods.

2.1.3.3 A review of the overpayment collection processes is underway, supported by TEAL consultants. This will identify improved working practices and the service will develop a new policy and procedures to support the reviews work.

2.1.3.4 Further analytical work has already commenced using enhanced data extract programmes. This is enabling targeted activity ahead of the completion of the review.

Table 4: Overview of debt status at 31 March 2017

	Stevenage			East Herts	
ALL at 31.3.17	Number	Value		Number	Value
Total	4860	£ 3,652,432		2373	£ 1,838,561
LIVE	1709	£ 1,144,297		1013	£ 700,845
DORMANT	3151	£ 2,508,136		1360	£ 1,137,716
LIVE					
LIVE AND CT	993	£ 693,235			
LIVE AND PT	716	£ 451,062			
LIVE AND FRAUD	70	£ 136,110		67	£ 162,679
LIVE/FRAUD CT	50	£ 101,165			
LIVE /FRAUD PT	20	£ 34,945			
DORMANT					
DORMANT CT	1617	£ 1,101,454			
DORMANT PT	1534	£ 1,406,682			
DORMANT FRAUD	198	£ 579,053		171	£ 309,456
DORMANT/FRAUD CT	90	£ 268,549			
DORMANT FRAUD PT	108	£ 310,504			

Note: Dormant means that the debtor is currently not in receipt of Housing Benefit

CT = Council Tenant

PT = Private tenant

- 2.1.3.5 The maximum rates of recovery are often reduced following negotiations with customers and their representatives where there are hardship issues.
- 2.1.3.6 New training in negotiation skills for debt repayments will be provided to staff during 2017/18.
- 2.1.3.7 There are a number of significant risks in relation to the collectability of these overpayments and they include:
- The majority are not in receipt of Housing Benefit following the overpayment being accrued, and recovery is therefore more complex.

- The transfer of working age claims to Universal Credit will reduce further our ability to recover from ongoing benefit deduction, as this form of recovery will no longer be available to us.

Table 5: Overpayments trends East Herts Council

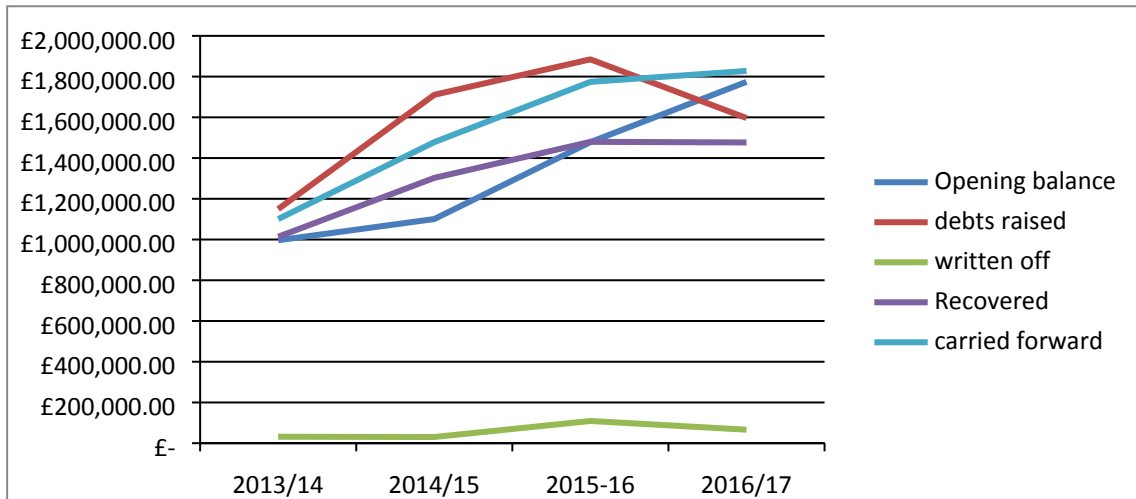
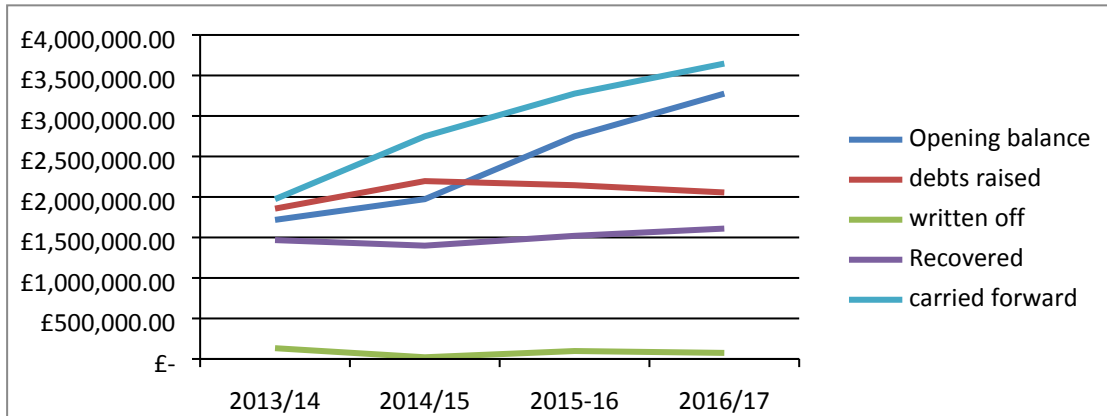


Table 6: Overpayment trends Stevenage Borough Council



2.1.3.8 The Government's focus on data matching to identify fraud and error is increasing the level of overpayments uncovered much more quickly than in previous years. One of these (FERIS) initiatives are discussed at 2.3 below. This is now entering its third year with a specific focus on verification of earnings. Another initiative which uses Real Time Information (RTI) from employers is identifying high level and long duration overpayment periods, when it transpires that earnings details provided by customers differ to information provided direct from

employers. This initiative is being extended during 2017/18 under the heading of WURTI (Wider use of Real Time information).

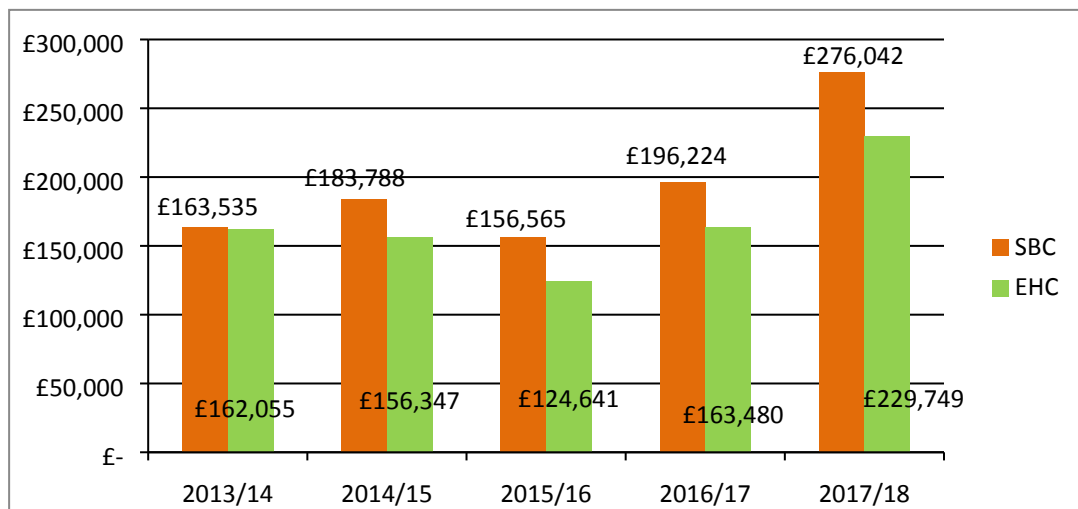
2.1.3.9 The higher level of overpayments identified reduces the level of subsidy received by the council and increases the cost of recovery.

2.1.3.10 Bad debt provisions are made on the balances outstanding and these represent 81% at Stevenage and 50% at East Herts

2.1.4 DHP

The amount of Discretionary Housing Payments grant from the DWP received each year changes, reflecting the priorities that it considers need supporting. This has been increased by c40% for 2017/18 and whilst enabling more transitional support to be offered to customers will also put additional administrative pressure on the officers processing these awards.

Table 7 Changes in levels of DHP grants from Government



2.1.4.1 The majority of successful awards in 2016/17 reflected pressure on households affected by the spare room subsidy restriction. 2017/18 expects to see significant pressure from households affected by the Benefit Cap.

Table 8: DHP applications

2016/17 DHP	SBC	EHC
Received	594	466
Rejected	143	129
Benefit Cap	64	84
Under occupation subsidy	240	133

2.1.5 Housing Benefit caseload.

The following tables demonstrate the changes in Housing Benefit caseload. The number of claimants varies daily with changes in customers employment status. These demonstrate a reduction of 8.6% (SBC) and 5.8% (EHC) respectively.

Table 9: SBC Housing Benefit caseload movements in 2016/17

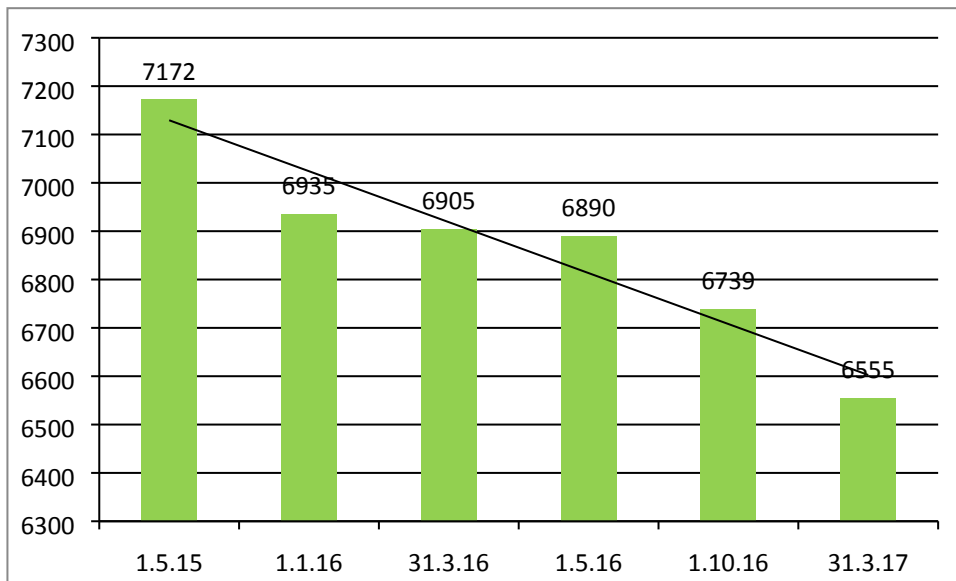
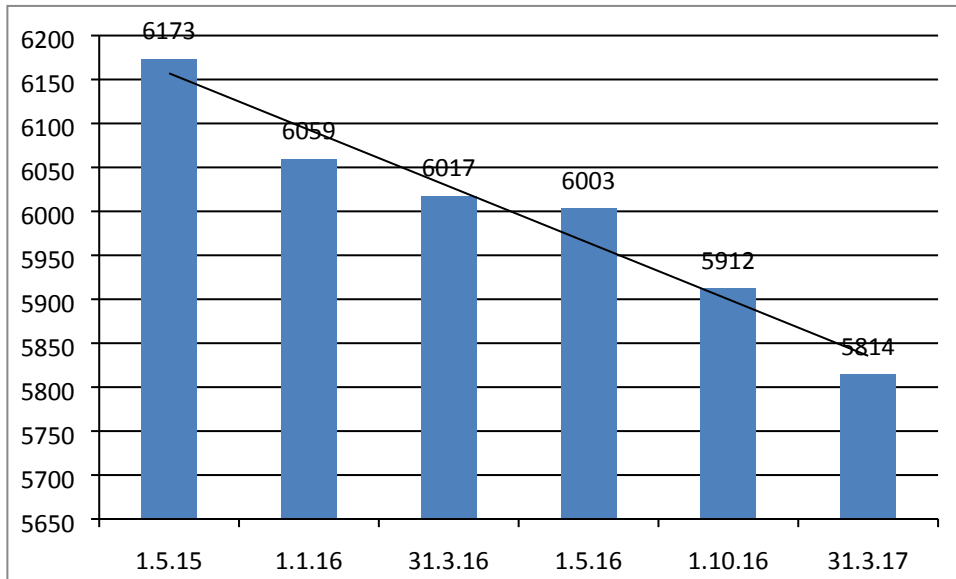


Table 10: EHC Housing Benefit caseload movements in 2016/17



2.2 Council Tax Support

Reductions in caseload have been experienced in CTS, although there are variations as more obviously demonstrated on the table for EHC.

Table 11: SBC CTS Caseload

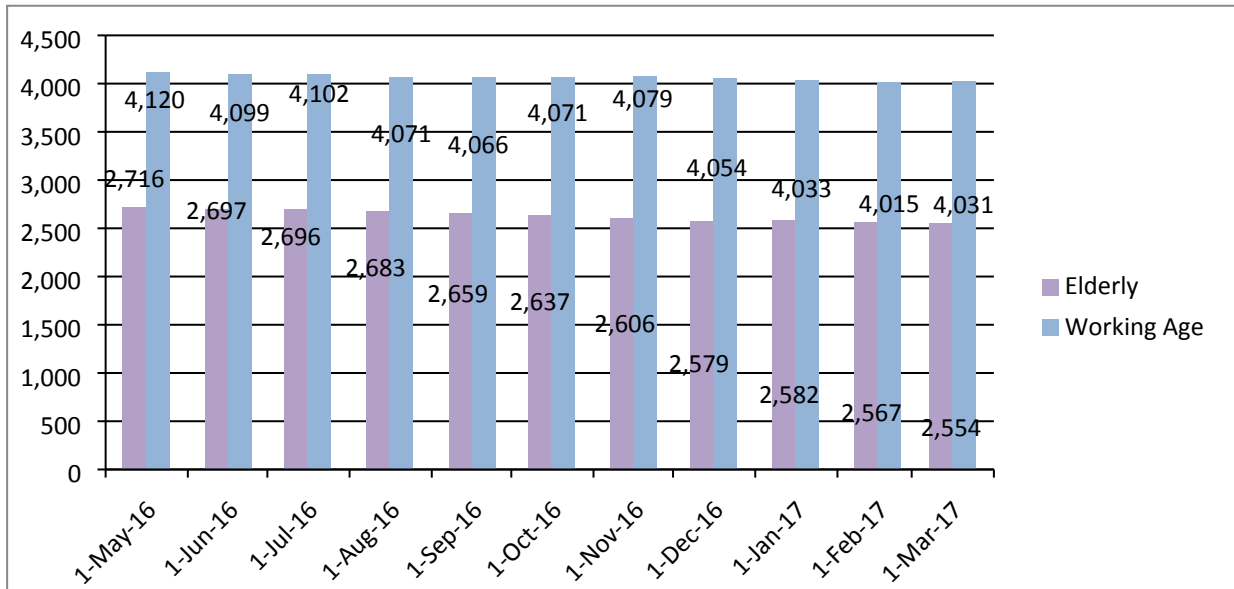
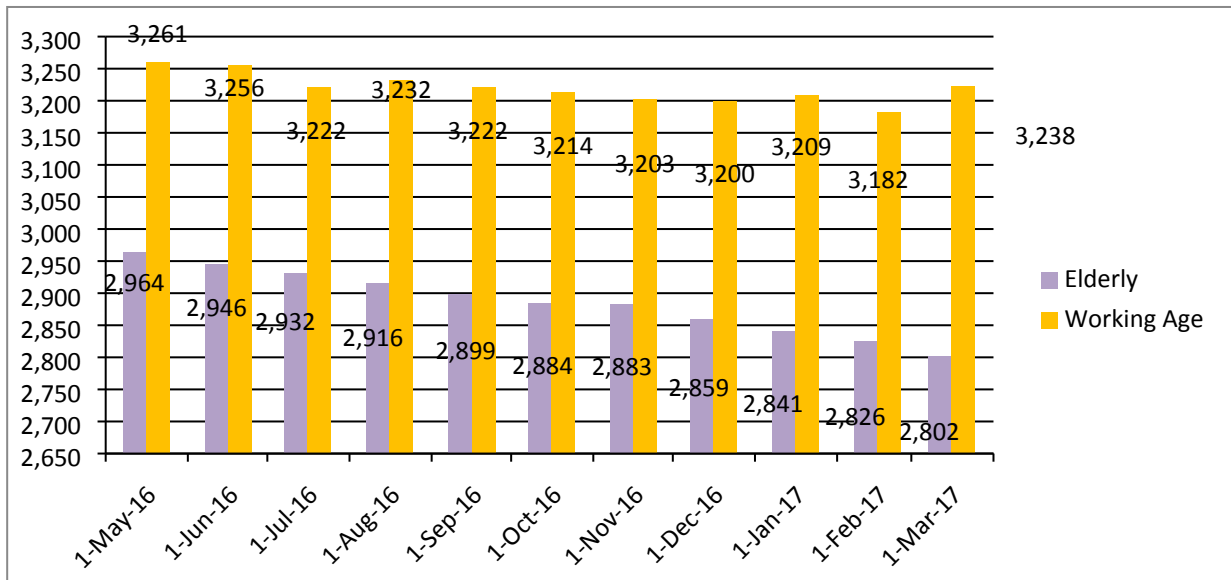


Table 12: EHC CTS Caseload



- 2.2.1 CTS cases are far more complex to collect, as variations in awards generate new bills and revise collection arrangements.
- 2.2.2 Collection rates for CTS are calculated on live claims only, and accordingly are indicative of the overall position. The in-year collection rates for working age live CTS claims are shown below, compared with the overall collection rate and comparative position at 31.3.2016 and 31.3.2017.
- 2.2.3 All WA CTS reflects the overall working age CTS collection rate for live CTS claims, and MAX WA CTS, reflects the collection rate for that subgroup who only pay the 8.5% liability.

Table 13: Working Age CTS collection rates

EHC		All WA CTS	Max WA CTS	General
	2015/16	80.00%	71.40%	98.40%
	2016/17	79.95%	73.18%	98.40%
SBC		All WA CTS	Max WA CTS	General
	2015/16	73.13%	67.35%	96.30%
	2016/17	76.50%	73.69%	96.60%

- 2.2.4 The level of arrears from this group are consequently proportionately higher per household than from those not in receipt of CTS, and accordingly collection is more challenging.

2.3 FERIS

- 2.3.1 The governments anti-fraud agenda continues to impact on the workload of the service. Data matching is received in various forms, including the National Fraud initiative, and the DWP's Real Time data Information scheme (RTI).
- 2.3.2 A new scheme introduced in 15/16 was called FERIS (Fraud and Error Reduction Incentive Scheme). Councils were invited to bid for funds to undertake additional anti-fraud activity. The scheme was extended for a further year, and once again the service was successful in obtaining funding to continue this work.
- 2.3.3 The schemes included incentive payments (Bonus) if high levels of fraud or error were identified.
- 2.3.4 The third year of FERIS (now also to be known as RTI, Right Benefit indicator), has recently been launched. The focus this year is on earnings. No incentive payments will be made to top up the initial grant. The funding is intended for staff costs, and the service is currently seeking to recruit two assessments officers on fixed term contracts to carry out the new workstream.

Table 14: Funding successfully awarded for FERIS activity.

FERIS	2015/16	2016/17	2017/18
Core	£ 27,520	£ 35,218	£ 64,556
Bonus	£ 24,756	£ 33,997	N/A
Total	£ 52,276	£ 69,215 *	£ 64,556

*Q4 bonus for 2016/17 not yet announced

- 2.3.5 This activity inevitably identifies overpayments of Housing Benefit and Council Tax support which need to be recovered.

2.4 Universal Credit

- 2.4.1 Universal Credit went live in this area in February 2016 for a small group of claimants. (*“single people with no dependent children, who would otherwise apply for JSA”*.) Up to the end of March 2017 this has affected 241 claimants previously on Housing Benefit. (78 at EHC and 163 at SBC).

- 2.4.2 The DWP have a partnership agreement with local councils to deliver services in relation to:

- online claiming support, and
- personal budgeting

2.4.3 Funding is limited and for 2017/18 will be paid as a grant based on estimated numbers of customers needing support. If numbers in the second half of the year fluctuate the grant may be amended.

2.4.4 At Stevenage the on line claiming assistance and personal budgeting is provided by the Housing Service, whilst at East Herts the Personal Budgeting is subcontracted to the local Citizens Advice Bureau.

2.4.5 The roll out of the full universal credit service (all working age applicants) is expected to commence in this area in June/July 2018, although those residents signing on at Harlow will be subject to an earlier start date.

2.4.6 There are still some working age client groups who will not move onto universal credit, including those in temporary accommodation.

2.4.6 There remains no indication of any scheme for pensioners who will until further notice remain eligible for Housing Benefit.

2.5 Council Tax.

2.5.1 The performance measure looks at the proportion of the current years liability collected in that year.

2.5.2 For 2016/17 Stevenage collection rate was 96.6%, which is the highest since at least 2010/11, and East Herts 98.4% which was the highest since 2012/13. This is despite increasing levels of collectable tax.

2.5.3 In 2016/17 The collectable debit for East Herts was £90.96 million, an increase of over £4 million from 2015/16. For Stevenage the collectable debit increased to £41.2 million, increasing by over £2m on the 2015/16 debit.

2.5.4 The number of actual properties in the tax base also increased by 1310 between 1.4.2016 and 1.4.17. (641 East Herts and 669 SBC)

2.5.5 Whilst in year collection is the prime performance indicator, considerable work goes into collecting prior year arrears. The table below demonstrates the position for each Council.

Table 15: Stevenage Council Tax arrears

SBC	31.3.2017	31.3.2016	prior year change
Pre 2000	£ -	£ 439	-£ 439
2001-2010	£ 318,624	£ 404,433	-£ 85,809
2010-2015	£ 1,313,711	£ 1,992,216	-£ 678,505
2015	£ 658,575	£ 1,539,650	-£ 881,075
Pre 1.4.2016	£ 2,290,910	£ 3,936,738	-£ 1,645,828
2016/7	£ 1,550,592		
at 31.3.2017	£ 3,841,502	£ 3,936,738	-£ 95,236

Table 16: East Herts Council Tax arrears

EHC	31.3.2017	31.3.2016	prior year change
Pre 2000	£ 8,996	£ 12,270	-£ 3,274
2001-2010	£ 380,852	£ 490,332	-£ 109,480
2010-2015	£ 1,076,084	£ 1,605,635	-£ 529,551
2015	£ 567,741	£ 1,526,659	-£ 958,918
Pre 1.4.2016	£ 2,033,673	£ 3,634,896	-£ 1,601,223
2016/7	£ 1,562,077		
at 31.3.2017	£ 3,595,750	£ 3,634,896	-£ 39,146

2.5.6 The tables demonstrate that significant inroads into prior year arrears were achieved in 2016/17, and whilst some of these were deemed non-recoverable and written off, the overall level of arrears at 31.3.17 was less than at 31.3.16 even when including a further years outstanding balances.

2.5.7 The taxbases for each council also produced surpluses for each preceptor as the spend on Council Tax Support was less than expected and a successful review of single person discounts reduce the cost of this mandatory relief.

2.5.8 Each Council reviewed its empty homes discounts during the year, which impacted from April 2017. In both cases this has reduced (removed for Stevenage) the relief given for properties

left empty and substantially unfurnished, and those properties empty and uninhabitable. Both Councils also applied the 50% premium to properties which have been empty for more than two years.

- 2.5.9 These revised discounts will increase the revenue collectable from the taxbase.
- 2.5.10 The service also carried out an in-house review of empty homes, identifying 264 (SBC 95, 169 EHC) which were in fact occupied.
- 2.5.11 The review was carried out in house and a share of the costs, in proportion to the New Homes Bonus award was recharged to Herts County Council (20%). This meant that instead of costing the Councils £21,983 as in 2015 the service earned £9.5k income in excess of additional staff costs.
- 2.5.12 The review also increased the number of properties on which New Homes Bonus could be claimed.
- 2.5.13 The service also commenced an in-house review of all single persons discounts. In previous years external providers have carried out the review using data matching techniques to identify a sample of approximately 18% of the recipients to survey. The service determined that 100% of all recipients would be surveyed over a year to ensure that records are refreshed and all applicants required to reaffirm their entitlement.
- 2.5.14 At 31.3.2017, 384 properties have had their discount removed. and 328 penalties have been levied for failing to respond to the review and reminder. The project concludes in the summer.

Table 17: SPD removals and penalties

SPD	Stevenage	East Herts
Removed	223	161
Penalties	160	168

- 2.5.15 Non responding customers in receipt of Council Tax Support are being pursued separately.

2.6 Business Rates

The performance measure looks at the proportion of the current years liability collected in that year.

2.6.1 Stevenage collection rate was 98.07%, marginally down on 2015/16 (98.35%) which was the highest since before 2010/11, and East Herts 97.76, again marginally down on 2015/16 (97.79).

2.6.2 The tables below shows some of the headline values at 31.3.2016

Table 18: Business Rates liabilities and reliefs

	SBC	EHC
Gross rates	51.95 million	53.6 million
Mandatory relief	3.3 million	8 million
Discretionary relief	149k	244 k
Government funded specific relief	115 k	100 k
Net yield to collect	48.5 million	45.5 million

Table 19: Mandatory reliefs granted

Mandatory Relief	Explanation	SBC 2016/17	EHC 2016/17
Empty (sec 45)	A Mandatory Relief applied to properties which are empty – 3 months for Shop and Offices etc and 6 months for Industrial type properties	£ 1,674,163	£ 2,149,803
Small Business Additional yield	The additional amount paid by any business not eligible for Small Business Rate Relief (i.e. they pay the higher multiplier)	-£ 1,299,811	-£ 1,188,162
Mandatory Relief - cont	Explanation	SBC 2016/17	EHC 2016/17
Small Business rates relief	A Mandatory Relief for Small Businesses under £12,000 rateable value	£ 1,015,147	£ 2,928,024

Charitable (Sec 43(5))	A Mandatory Relief where the organisation is a charity or would be considered to be a charity	£ 1,926,625	£ 4,026,446
Sports Clubs (sec 43(5))	A Mandatory Relief (43(5)) for registered Community Amateur Sport Clubs	£ 4,075	£ 67,548
Village Shops	A Mandatory relief to a Post Office or the only General Store, Pub or Petrol Station in a Rural Settlement with a population not exceeding 3,000		£ 61,633

2.6.3 In addition to the collection of current year liabilities the Business rates team have been focussing on old year debts. Many of these accrued prior to the localisation of business rates when the impact of non-collection was less significant than currently.

Table: 20: Prior year arrears recovery 2016/17

2016/17	East Herts	Stevenage	Total
Opening balance of arrears at 1.4.2016	£ 1,919,025	£ 1,736,090	£ 3,655,115
New arrears (generated after 1.4.16, and relating to periods up to 31.3.16)	£ 2,106,372	£ 1,692,223	£ 3,798,595
Total arrears to address	£ 4,025,397	£ 3,428,313	£ 7,453,710
Total balance outstanding at end of month (31.3.17)	£ 757,341	£ 471,971	£ 1,229,312
Arrears have changed by	£ 3,268,056	£ 2,956,342	£ 6,224,399
<i>Of this change, this amount was written off</i>	<i>-£ 561,747</i>	<i>-£ 509,623</i>	<i>-£ 1,071,370</i>

2.6.4 *Arrears are added during the year, relating to previous years where properties are either brought into rating with a retrospective start date, or where a revaluation or change has a prior year impact.

2.6.5 Unsurprisingly some of these have been complex cases and absorbed considerable resources, whilst others have been determined as non-recoverable.

2.6.6 The focus on this area has produced significant results over the last two years, as demonstrated below.

Table 21: Reduction in prior year arrears.

Opening balance of all -year arrears	East Herts	Stevenage	Total	Reduction
1.4.2015	£ 1,872,516	£ 2,928,693	£ 4,801,209	
1.4.2016	£ 1,919,024	£ 1,736,090	£ 3,655,114	£ 1,146,095
1.4.2017	£ 1,788,799	£ 1,178,937	£ 2,967,737	£ 687,377

Composition of current arrears at 1.4.2017	East Herts	Stevenage	Total
pre 1.4.2016	£ 757,340	£ 471,971	£ 1,229,311
in year 2016-17	£ 1,031,459	£ 706,967	£ 1,738,426
Total	£ 1,788,799	£ 1,178,938	£ 2,967,737

2.6.7 A project to review mandatory reliefs was carried out during 16/17 on the East Herts business properties. This identified error, fraud and avoidance on these properties which reduces the income available to the Council. The project was funded from the Easts Herts share of a salaries underspend in 2015/16. The results identified £110k over-claimed relief.

2.6.8. The most common issues identified included:

- Business expanding to two properties and failing to declare
- Failing to declare second business at time of application
- New occupiers failing to notify us of their residency or circumstances.

2.6.9 A review of the Stevenage recipients of mandatory relief is currently underway in conjunction with the new eligibility criteria for this relief.

2.7 Discretionary Rate relief

2.7.1 During 2016/17 both Councils refreshed their DRR policies. Reviews are now being carried out on existing recipients to ensure compliance with the new polices. No changes will be made to current recipients until 2018, however new applications will be assessed by the revised criteria.

2.7.2 The Government announced in the March 2017 budget, three new schemes to support business as a result of the 2017 revaluation. These are all to be administered by local authorities using our discretionary relief powers, but will be fully funded by central government. We await both further details of the schemes and of any new burdens funding to be provided to reflect the additional administrative burden.

2.7 RV Finder

2.7.1 The importance of identifying the correct rateable values (RV) to maximise the revenue streams to the councils is taken very seriously, and will continue to be a focus as the reliance on this income grows.

2.7.2 We are currently under contract with a company who use national data sources to identify changes and potential changes in rateable value in the area. Herts County Council contribute to the cost of both the core information system and towards each rateable value identified.

2.7.3 In 2016/17 the external company £93K new RV for Stevenage and £37k RV for East Herts.

2.7.4 In 2016/17 the in house team also identified a further £1,668k new RV for Stevenage and £1,834k for East Herts.

Table 22: Rateable Value identified during 2016/17

	East Herts	Stevenage	Total
External company	£ 36,600	£ 92,850	£ 129,450
Our Officers	£ 1,834,390	£ 1,668,325	£ 3,502,715
TOTALS	£ 1,870,990RV	£ 1,761,175 RV	£ 3,632,165 RV

2.7.5 However there are increasing pressures on the RV across the country. The NHS trusts are still attempting to claim relief on hospitals, and more schools are becoming academies and therefore exempt from business rates.

2.7.6 Issues with avoidance and evasion continue, and the shared anti-fraud service still plan to carry out data matching on both LA's data, which may identify useful leads.

2.7.7 The service continues to give advice and support to other initiatives, including the potential BID for Bishop's Stortford and the new Business rates grant scheme introduced from April 2017.

2.8 Digital

2.8.1 The service is focused on responding to the need to offer digital solutions for customers engaging with the service. This provides opportunities for 24/7 service delivery and efficiencies.

2.8.2 Currently East Herts customers can self-serve a range of services for Housing Benefit, Council Tax and Business rates, these include:

- On line claim for Housing Benefit and Council Tax support
- E- billing Council Tax
- E-billing Business Rates

2.8.3 Stevenage customers currently have the online claim for Housing Benefit and Council Tax support, and the other services detailed above are due for launch shortly.

2.8.4 During the coming year, the service intends to expand this on-line service to all customers to include:

- Change of address.

The service processes on average 740 (EHC 450, SBC 287) moves each week. This module will allow customers to advise us of moves 24/7, as well as:

- carrying forward existing discounts
- applying for a single person discount
- signing up for e-billing
- sign up to pay by Direct Debit

- Arrangement Manager

This module provides recovery staff with the tools to create special payment arrangements quickly and easily in line with

our local policies and procedures, Customers can set up arrangements to pay (within parameters)24/7

- Arrangements e-notifications
A taxpayer or ratepayer entering into a special payment arrangement can be offered the option of receiving all associated documentation electronically.
- Digital Discounts and Exemptions
This module allows us to replace all of our Council Tax forms and dramatically reduce manual updates and customer queries with a single integrated application

2.8.5 In addition to these modules, a number of other on-line forms have been e-enabled to assist customers. Back office integration with these forms will be a further project.

2.8.6 The take up of self service options is slow, and accordingly both Councils are working together to devise a strategy to increase use of these services. Channel shift from traditional service options to digital routes will be necessary to ensure that these new ways of working become the default.

2.8.7 Good clear communication with our customers is essential to both encourage and support them through the transition to greater digital interaction. A range of activities have commenced including both Councils communications teams working together on a series of promotional material, raising awareness of what is available and what is 'coming soon'.

2.9.1 **Single Fraud Investigation Service (SFIS)**

2.9.2 The DWP's single fraud investigation service subsumed the Benefits fraud team from the 1 May 2015 for both Stevenage and East Herts.

2.9.3 New procedures for referring cases to the DWP are in place, but we remain responsible for providing relevant information, carrying out adjudications and the collection of any overpayments generated.

2.9.4 The DWP continue to struggle to adjust to the changes and anecdotally the level of fraud activity leading to prosecutions etc

has suffered. The general perception is that the DWP are adverse to prosecutions and prefer to propose administrative penalties for most cases. Administrative penalties of 50% can be applied, in addition to the value of any overpayment that is to be recovered. This increases the debt that the Council has to recover.

2.9.5 East Herts, Stevenage and North Herts, in conjunction with the shared anti-fraud service (SAFS) are part of a national pilot for joint working with the DWP, for the joint investigation of Housing Benefit fraud where there is also a claim for Council Tax support. This places all three LAs in a greatly improved position in relation to HB fraud over the majority of LA's administering HB, and will allow SAFS to access DWP data on housing and tenancy matters (including homelessness/housing applications) where there is suspicion of fraud.

2.10 **Service plan objectives 2017/18**

The agreed service plan focuses on collection rates and performance in processing benefit claims, whilst reviewing the access and support offered to customers as discussed above.

2.11 **Print and post contract**

A corporate print and post contract is currently being evaluated which will offer options to carry out daily printing and postage off site. Where these options can be taken up savings will be delivered to the shared service. Target date for go –live is October 2017.

2.12 **New document management system**

The service successfully implemented a new document management system during 2016/17. In addition to the operational benefits, this has enabled customers to have documents scanned at both Stevenage, Bishop's Stortford and Hertford, thus enabling them to enter the processing system more quickly and efficiently.

2.13 Enforcement framework

The service also hopes to use a new Enforcement framework to review current enforcement arrangements and explore any additional services that will assist recovery rates. It is hoped that this will give greater recovery options for Housing Benefit overpayments too.

2.14 Supporting customers

The service continues to exploring support for customers in financial difficulty, with a view to early intervention preventing the additional costs of enforcement action being necessary.

2.15 Future Challenges

2.15.1 Reduction in staff

2.15.2 The business case to resize the service to reflect workloads and pressures from welfare reforms was agreed in 2014. This report supported the recruitment of a number of staff in both Revenues and Benefits. It also included a proposal to reduce the staff numbers by 4 posts from 31.3.2017. Accordingly these posts have now ended.

2.15.3 Whilst there has been some reduction in Housing Benefit and Council Tax Support caseloads the pressure from welfare reforms continues and the increasing importance of Business Rates and Council Tax as income streams has not diminished. There was for example, no indication of the Government's intention to devolve all business rates to local authorities by 2020 at the time the report was written.

2.15.4 There remains the risk, that with the reduction of staff in these areas that the ability to perform at the levels demonstrated by this report will be severely diminished.

2.16 Outturn budget for 2016/17

2.16.1 The table below shows the outturn for both 2015/16 and 2016/17, and the initial budget for 2017/18.

	OUTTURN	OUTTURN	ORIGINAL
	2015/16	2016/17	2017/18
	£	£	£
Staff Costs	3,157,801	2,991,913	3,015,450
Transport related exp	24,313	16,839	18,050
Supplies and Services	259,427	249,899	255,690
Support Services and Divisional Costs	1,077,400	1,154,236	1,151,440
TOTAL EXPENDITURE	4,518,941	4,412,887	4,440,630
INCOME			
Government Grants	24,989	35,217	-
Income From Other Authorities	1,571,012	1,566,277	1,594,900
Section Recharge	2,922,940	2,811,393	2,845,730
TOTAL INCOME	4,518,941	4,412,887	4,440,630
NET EXPENDITURE TO SUMMARY	-	-	-

2016/17	Budget 16/17	Outturn 16/17	In year underspend
SBC contribution	£1,608,650	£1,566,277	£42,373
EHC contribution	£2,777,210	£2,737,523	£39,687
Total	£4,385,860	£4,303,800	£82,060

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None.

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