

**Meeting: EAST HERTS COUNCIL AND
STEVENAGE BOROUGH COUNCIL
JOINT REVENUES AND BENEFITS
COMMITTEE**



Portfolio Area: Resources

Date: 25 June 2018

**ANNUAL UPDATE EAST HERTS & STEVENAGE JOINT REVENUES AND
BENEFITS SERVICE**

NON KEY DECISION

Author – Su Tarran Ext EHC 2075 (01279 502075)

Contributor – Clare Fletcher Ext SBC 2933

Lead Officer - Clare Fletcher Ext SBC 2933

Contact Officer - Su Tarran Ext EHC 2075

1. PURPOSE

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

2. RECOMMENDATIONS

- 2.1 That the report be noted.

3. BACKGROUND

- 3.1 This report includes an overview of performance in 2017/18 of the Revenues & benefits shared service and details future objectives and challenges.

4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1 Housing Benefit

4.1.1 **Housing Benefit processing. (N181)** - This performance indicator measures the average processing time for new claims and changes in circumstances.

4.1.2 Stevenage N181 was 7.16 days the best result since at least 2009/10. With East Herts N181 of 7.63 days slightly higher than last years at 7.05 days which was the best result since 2008/9. These results demonstrate a harmonising of performance across the two Councils.

4.1.3 This core indicator represents a significant achievement for the shared service in the face of the welfare reforms. The level of work received by the Housing Benefit team increased in 2017/18 despite a reducing caseload. The overall level of HB post received in 2017/18 increased by 5744 items compared to 2016/17, an increase of 4.99%. The following graphs demonstrate the changes.

Table 1: SBC Housing Benefit work received.

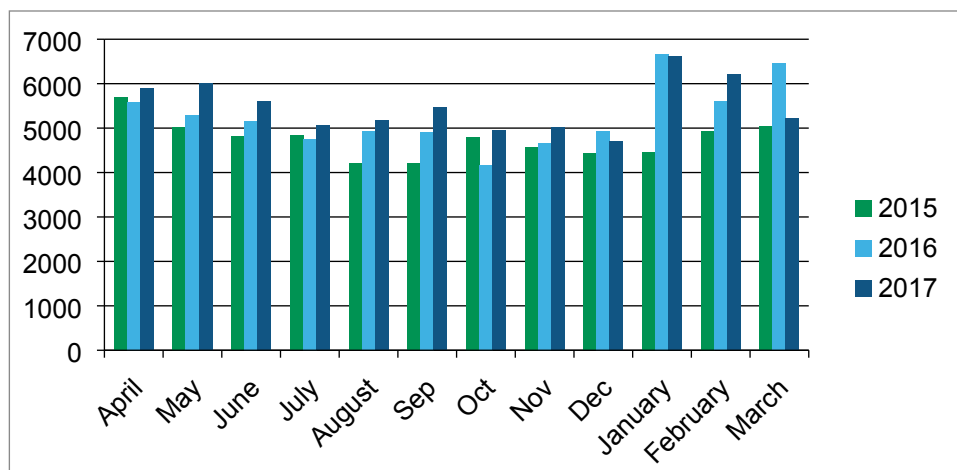
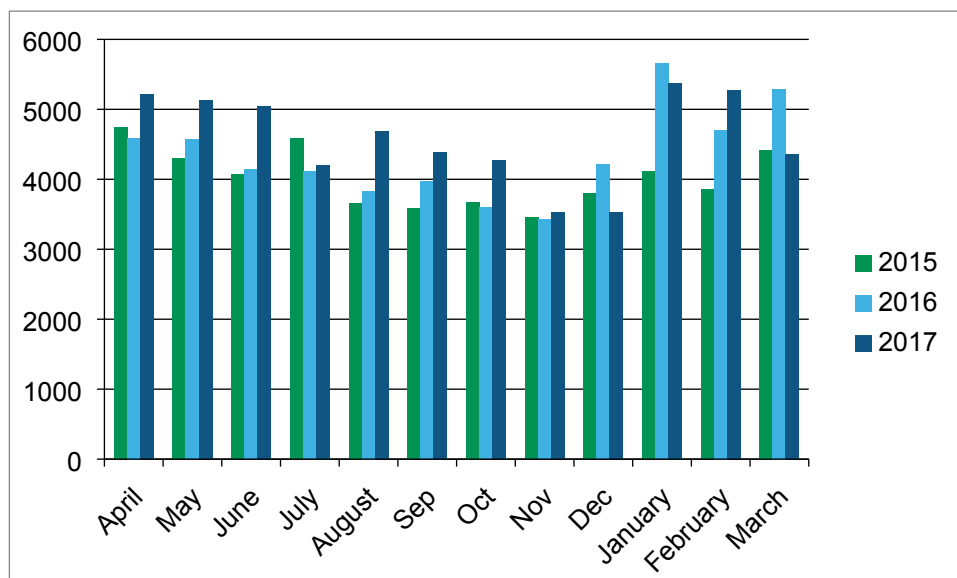


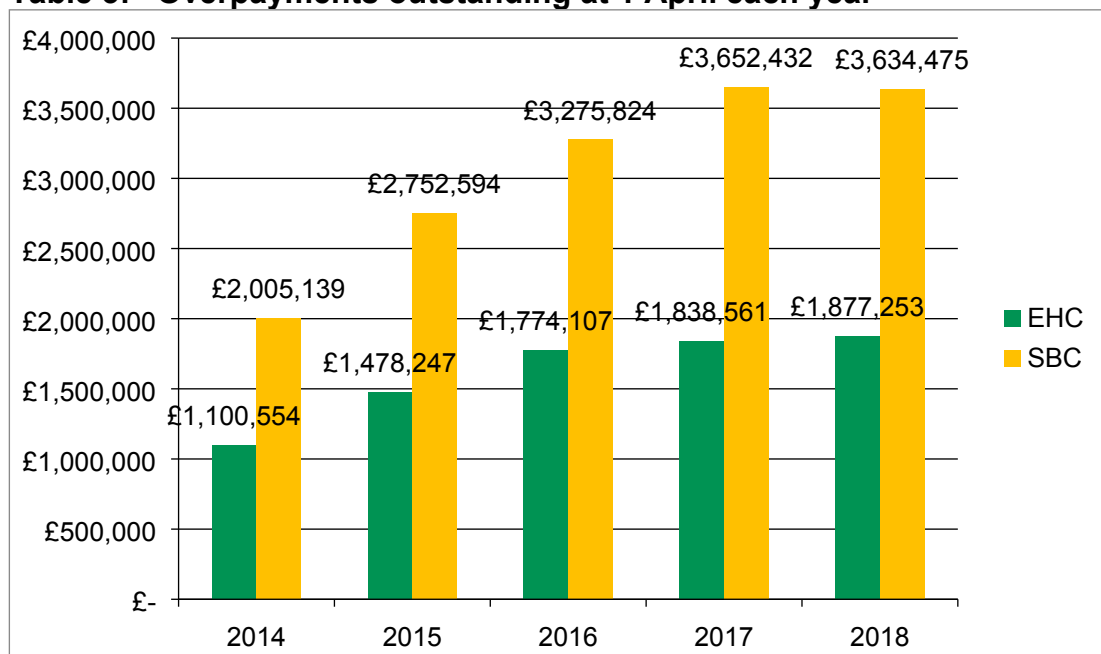
Table 2: EHC Housing Benefit work received.



4.1.4 **Housing Benefit subsidy** - The level of Housing Benefit claimed in subsidy reached £65.8m in 2017/18 (subject to audit), less than in 2016/17 (£ 67.6m) and reflecting both the lower caseload and the restrictions on benefit entitlements. (2016/17 £31.7m SBC, and £34.1m for EHC).

4.1.5 **HB Overpayments** - With the level of awards outlined above the value/level of overpayments is a constant pressure.

Table 3: Overpayments outstanding at 1 April each year



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

4.1.7 A review of the overpayment collection processes was carried out in 2017/18 and has improved working procedures. This has included the use of enhanced data extract programmes, enabling targeted activity.

Table 4: Overview of debt status at 31 March 2018

	Stevenage		East Herts	
ALL at 31.3.18	Number	Value	Number	Value
Total	4605	£ 3,633,481	2178	£ 1,877,258
LIVE	1326	£ 1,067,033	802	£ 620,598
DORMANT	3279	£ 2,566,448	1376	£ 1,256,660
LIVE AND CT	757	£ 634,296		
LIVE & PT	569	£ 432,737		

	Stevenage		East Herts	
ALL at 31.3.18	Number	Value	Number	Value
LIVE & FRAUD	52	£ 155,597	51	£ 128,396
LIVE/FRAUD CT	34	£ 111,710		
LIVE /FRAUD PT	18	£ 43,887		
DORMANT CT	1667	£ 1,117,921		
DORMANT PT	1612	£ 1,448,527		
DORMANT FRAUD	196	£ 555,469	147	£ 325,261
DORMANT/FRAUD CT	96	£ 243,833		
DORMANT FRAUD PT	100	£ 311,636		
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*

- 4.1.8 The maximum rates of recovery are often reduced following negotiations with customers and their representatives where there are hardship issues.
- 4.1.9 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 the shared service's ability to recover from ongoing benefit deduction, as this form of recovery will no longer be available to the service.

Table 5: Overpayments trends EHC

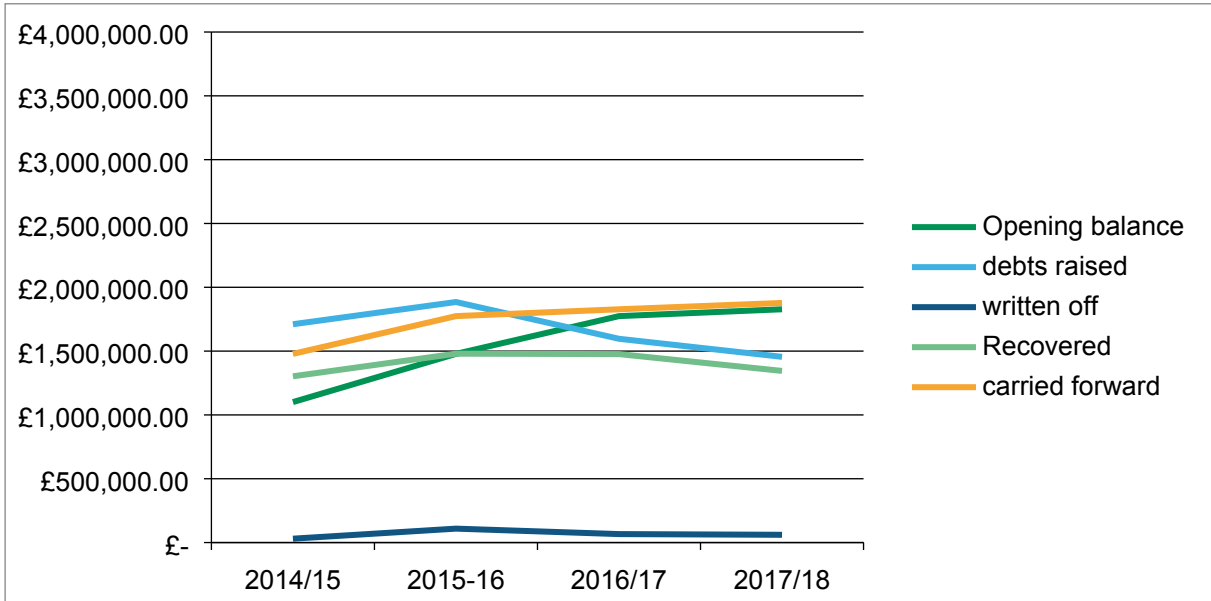
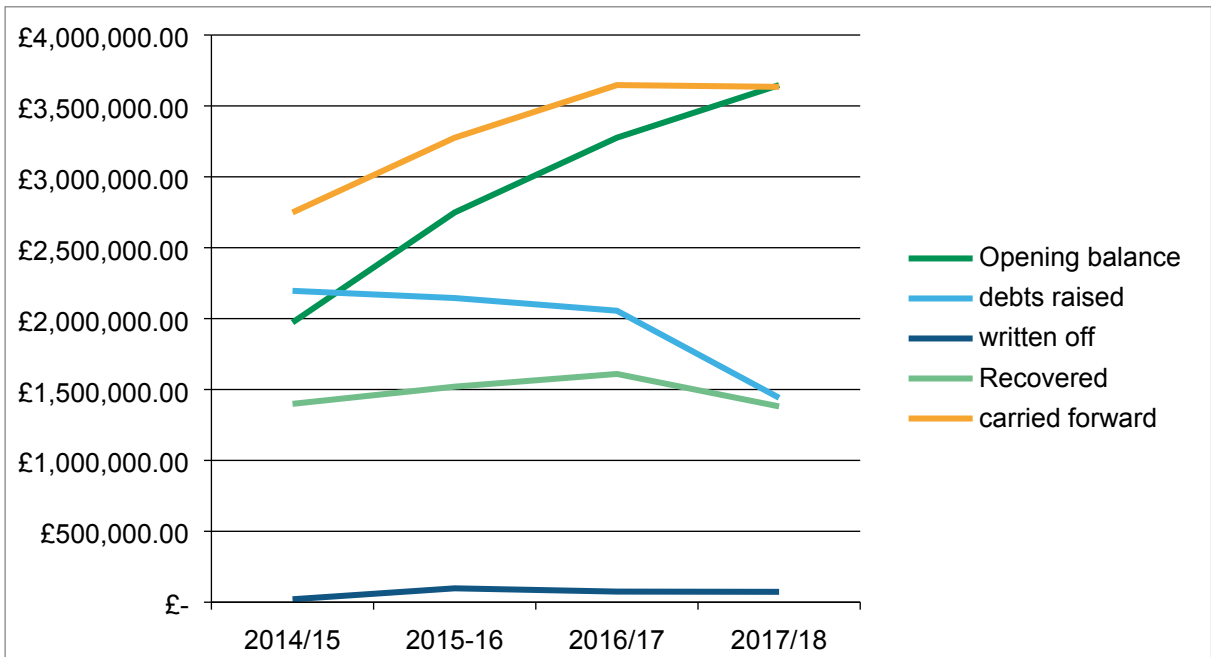


Table 6: Overpayment trends SBC



4.1.10 Local Authorities have to suffer the cost of paying out Housing Benefit on which only 40% subsidy is received, as well as the cost of making bad debt provisions against non-recovery, in addition to the costs associated with recovery. However bad debt provisions are made on the balances outstanding and these represent 85% at Stevenage and 43% at East Herts.

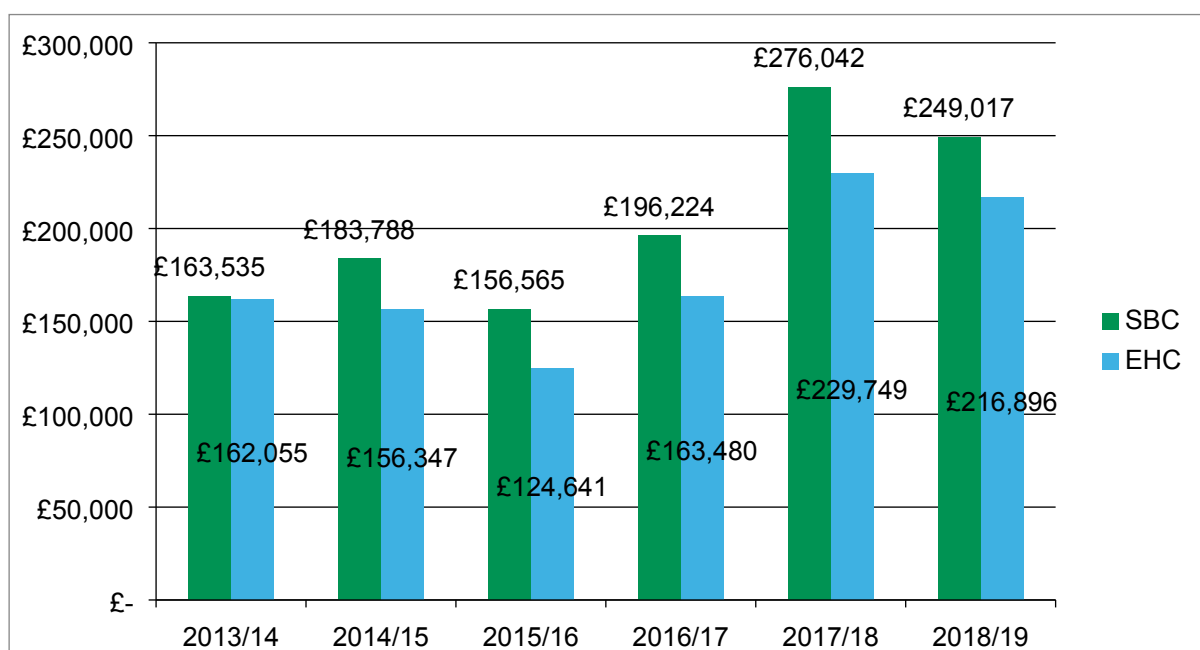
4.1.11 The Government has recognised that its focus in recent years on data matching to identify fraud and error is increasing the level of overpayments that local authorities are carrying. To support recovery of these debts they

have just launched a new facility for Local Authorities to access HMRC data to enable recovery by attachment to earnings.

4.1.12 Additional short term resources are being employed to support this work which will enable recovery of debts previously considered as potential write offs. Once the current stock of debts has been worked through and recovery established resource needs will be reviewed.

4.1.13 **Discretionary Housing Payments (DHP)** - The amount of DHP grant from the DWP received each year changes, reflecting the priorities that it considers need supporting. This has for the first time been reduced for 2018/19, in contrast to 2017/18 which saw an increase of around 40%. Whilst enabling more transitional support to be offered to customers this also puts additional administrative pressure on the officers processing these awards.

Table 7 Changes in levels of DHP grants from Government



4.1.14 The majority of successful awards in 2017/18 reflected pressure on households affected by the spare room subsidy restriction & Benefit Cap. A similar pattern is expected in 2018/19 with additional claims expected for customers on universal credit.

Table 8: DHP applications

2017/18	SBC	EHC
Received	582	438
Rejected	172	171
Benefit Cap	80	62
Under occupation subsidy	200	102

4.1.15 **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 in 2017/18 of 3.48% (SBC) and 1% (EHC) respectively.

Table 9 : SBC Housing Benefit caseload movements in 2017/18

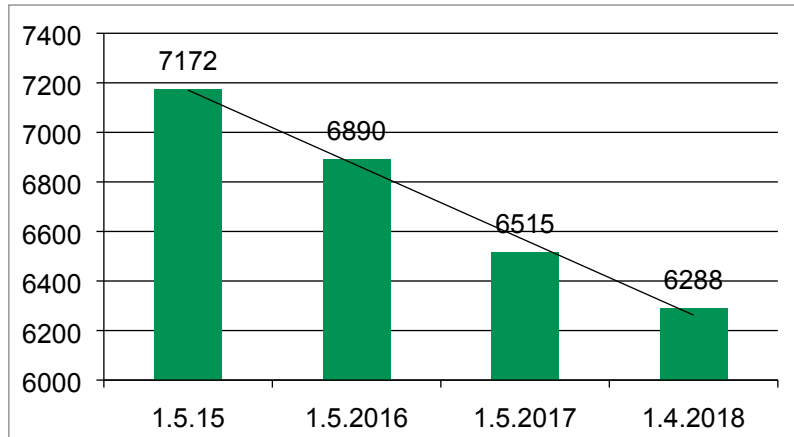
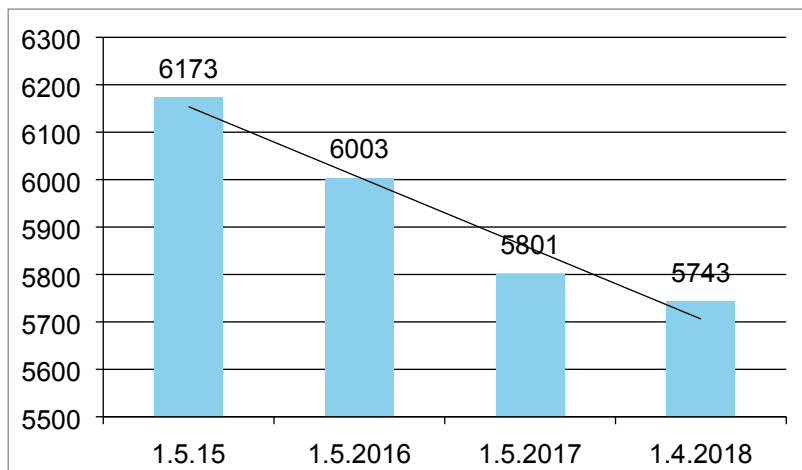


Table 10 : EHC Housing Benefit caseload movements in 2017/18



4.2 Council Tax Support (CTS)

4.2.1 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

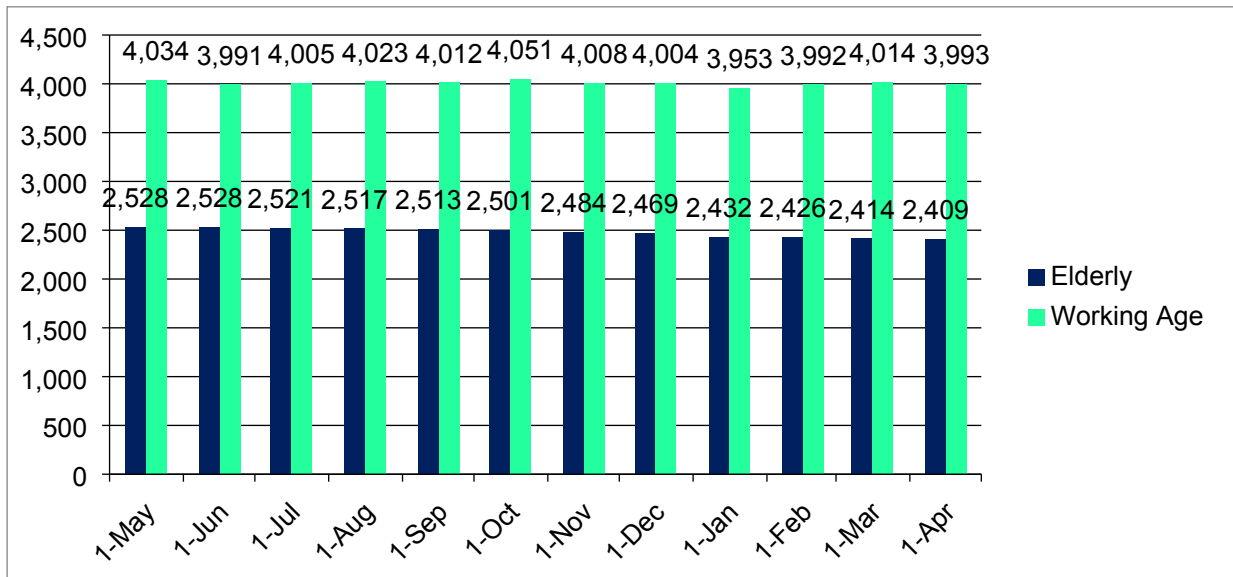
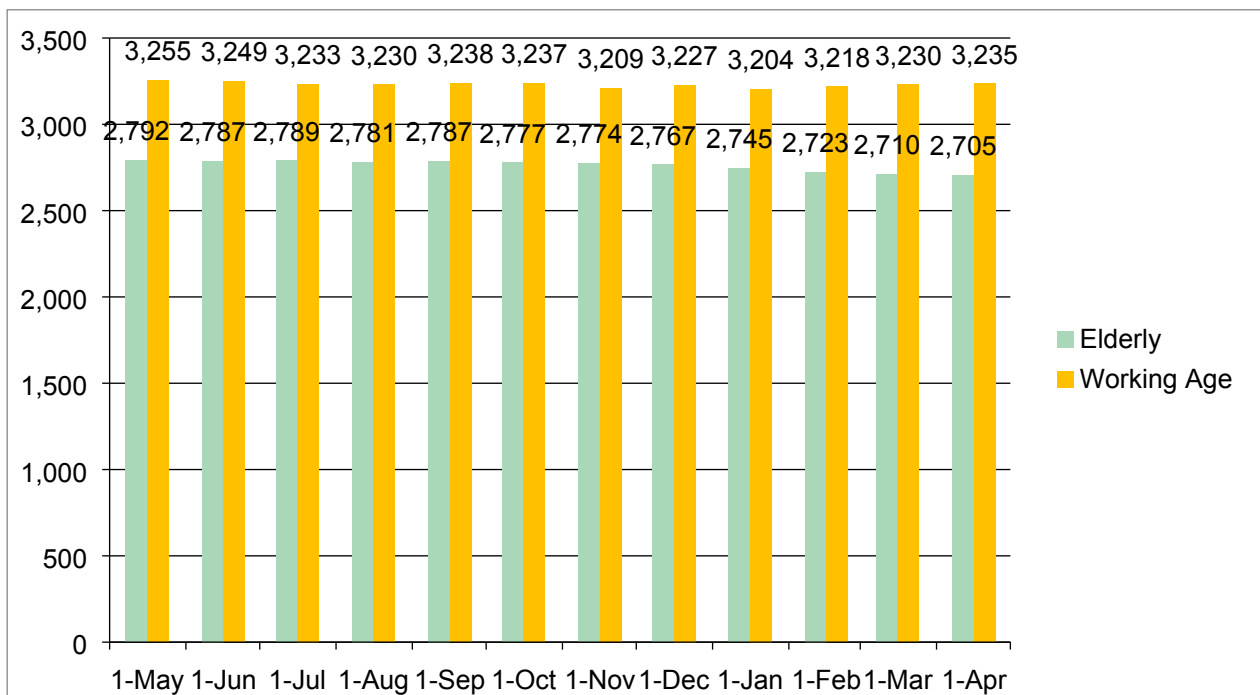


Table 12: EHC CTS Caseload



4.2.2 CTS cases are far more complex to collect, as variations in awards generate new bills and revise collection arrangements.

4.2.3 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, 2017 and 2018.

- 4.2.4 The 'WA CTS' shown in table 13 is the collection rate for all working aged claimants receiving some CTS and have a live claim, whereas 'MAX WA CTS', is the collection rate for those claimants who only pay the 8.5% liability and are on maximum amount of CTS claimable.

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%
2017/18		78.66%	70.49%	98.30%
SBC		All WA CTS	Max WA CTS	General
2015/16		73.13%	67.35%	96.30%
2016/17		76.50%	73.69%	96.60%
2017/18		75.39%	71.27%	96.40%

- 4.2.5 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.
- 4.2.6 Officers are currently testing an alternative CTS scheme for working age claimants for 2019/20 in response to the roll out of universal credit and its impact on council tax collection.
- 4.3 Verification of Earnings and Pensions (VEP)**
- 4.3.1 The Government's 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).
- 4.3.2 The newest iteration, following on from FERIS (Fraud and Error Reduction Incentive Scheme) and RTI (Real Time information) and WURTI (Wider use of real time information) is called VEP.
- 4.3.4 VEP will provide the service with access to earnings and pensions details on line and enable verification. This latest initiative is developing so that every time a customer has a change in earnings etc. with officers receiving an 'alert' and be required to amend the customers claim.
- 4.3.5 Once again funding has been received to support LA's in obtaining resources to carry out RTI & VEP work.

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

4.4 Universal Credit (UC)

4.4.1 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'*). However from October 2018 Stevenage and East Herts residents will be in a 'full service' area. This means that with only a few exceptions all new claims for support for working age customers will go to UC, and customers experiencing a relevant change in circumstances will transfer from HB to UC. Bulk transfer of the remaining working age HB cases to UC has not yet been scheduled by the DWP.

4.4.2 The DWP have a partnership agreement with local councils to deliver services in relation to;

- online claiming support, and
- personal budgeting

4.4.3 Funding is limited and for 2018/19 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.

4.4.4 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.

4.4.5 There are still some working age client groups who will not move onto universal credit, including those in temporary accommodation. There remains no indication of any scheme for pensioners who will until further notice remain eligible for Housing Benefit.

4.5 Council Tax.

4.5.1 The performance measure looks at the proportion of the current year's liability collected in that year. For 2017/18 Stevenage collection rate was 96.4%, and East Herts 98.3%. These were marginally lower than 2016/17 and the considerations for this are discussed below. (2016/17 SBC 96.6%, EHC 98.4%)

4.5.2 In 2017/18 the collectable debit for East Herts was £96.3 million, an increase of over £5 million from 2016/17. For Stevenage the collectable debit increased to £43.7 million, increasing by over £2m on the 2016/17 debit.

4.5.3 The number of actual properties in the tax base also increased by 593 between 1.4.2017 and 1.4.18. (524 East Herts and 69 SBC)

4.5.4 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	31.3.2018	31.3.2017	prior year change
Pre 2003	£ 2,597	£ 3,686	-£ 1,089
2003-2007	£ 104,791	£ 130,875	-£ 26,084
2008-2012	£ 541,252	£ 699,578	-£ 158,326
2013-2016	£1,667,213	£ 3,007,362	-£ 1,340,149
Pre 1.4.2017	£ 2,315,853	£ 3,841,501	-£ 1,525,649
2017/18	£ 1,380,437		
at 31.3.2017	£ 3,696,290	£ 3,841,501	-£ 145,212

Table 16: East Herts Council Tax arrears

EHC	31.3.2018	31.3.2017	prior year change
Pre 2003	£ 7,000	£ 25,847	-£ 18,847
2003-2007	£ 148,013	£ 187,057	-£ 39,044
2008-2012	£ 456,322	£ 588,597	-£ 132,275
2013-2016	£ 1,498,386	£ 2,794,249	-£ 1,295,863
Total Pre 1.4.2017	£ 2,109,722	£ 3,595,751	-£ 1,486,029
2017/18	£ 1,638,651		
at 31.3.2017	£ 3,748,372	£ 3,595,751	£ 152,622

- 4.5.5 The tables demonstrate that significant inroads into prior year arrears were achieved in 2017/18, and whilst some of these were deemed non recoverable and written off, the overall level of pre 2017/18 debt was less than at 31.3.17.
- 4.5.6 The tax bases 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.

- 4.5.7 Both Councils have now removed the relief given for properties left empty and substantially unfurnished, and those properties empty and uninhabitable. Both Councils also apply the 50% premium to properties which have been empty for more than two years. The Government have proposed increasing the premium to 100% but have yet to lay the required legislation.
- 4.5.8 These removed discounts increase the revenue collectable from the tax base.
- 4.5.9 The service also carried out an in-house review of empty homes, identifying 104 (SBC 21, 83 EHC) which were in fact occupied. 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%). The review also increased the number of properties on which New Homes Bonus could be claimed.
- 4.5.10 The service also carried out a 100% review of all recipients of Single person discounts. Almost 30,000 properties were contacted to confirm entitlement. (EHC 17.6k, SBC 12.3k)
- 4.5.11 As at 31.3.2018, 1,093 properties have had their discount removed and 1,417 penalties have been levied for failing to respond to the review and reminder.

Table 17: SPD removals and penalties

SPD	Stevenage	East Herts
Removed	488	605
Penalties £	£ 54,810	£44,380
Penalties - No.	783	634

4.6 Business Rates

- 4.6.1 The performance measure looks at the proportion of the current years liability collected in that year. Stevenage collection rate was 98.57%, an improvement on 2016/17 (98.07%), and the highest since before 2010/11, and East Herts 98.39, also an improvement on 2016/17 (97.76).
- 4.6.2 The following tables shows some of the headline values at 31.3.2018

Table 18: Business Rates liabilities and reliefs

	SBC	EHC
Gross rates	49.4m	54.6m
Transitional reliefs	3m	270k
Mandatory relief	4.8m	9.9m
Discretionary relief	168k	247k
Government funded specific relief	23k	285k
Net yield to collect	47.4m	44.4m

Table 19: Mandatory reliefs granted

Mandatory Relief	Explanation	SBC 2017/18	EHC 2017/18
Empty (sec 45)	A Mandatory Relief applied to properties which are empty – 3 months for Shop & Offices etc and 6 months for Industrial type properties	£ 1,626,942	£ 1,231,927
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)	-£ 1,127,968	-£ 936,910
Small Business rates relief	A Mandatory Relief for Small Businesses under £12,000 rateable value	£ 1,774,561	£ 4,997,192
Charitable (Sec 43(5))	A Mandatory Relief where the organisation is a charity or would be considered to be a charity	£2,492,838	£ 4,490,145
Sports Clubs (sec 43(5))	A Mandatory Relief (43(5)) for registered Community Amateur Sport Clubs		£ 71,703
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		£ 45,506

- 4.6.3 In addition to the collection of current year liabilities the Business rates team continue to focus 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.
- 4.6.4 The focus on this area has produced significant results over the last three years, as demonstrated below.

Table 20: 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	£ 4,801,210	
1.4.2016	£ 1,919,025	£ 1,736,090	£ 3,655,115	£1,146,095
1.4.2017	£ 1,788,800	£ 1,178,938	£ 2,967,738	£ 687,377
1.4.2018	£1,364,742	£871,897	£ 2,236,639	£ 731,099

Arrears at 1.4.2018	East Herts	Stevenage	Total
pre 1.4.2017	£ 708,290	£ 356,018	£ 1,064,308
in year 2017-18	£ 656,452	£ 515,879	£ 1,172,331
Total	£ 1,364,742	£ 871,897	£ 2,236,639

- 4.6.5 A project to review charitable reliefs was carried out in conjunction with Shared Anti Fraud service (SAFS), which confirmed that the Shared Service records were up to date.
- 4.6.6 The Service is to start a further review of small business rates relief with SAFS to ensure that these are claimed correctly in relation to market information available.
- 4.7 Discretionary Rate relief**
- 4.7.1 Reviews were carried out on existing recipients to ensure compliance with the new polices. This has now been completed.
- 4.7.2 The Government announced in the March 2017 budget, three new schemes to support business as a result of the 2017 revaluation. These are all administered by local authorities using our discretionary relief powers, but are fully funded by central government. These were carried out and rolled into year two.

4.7.3 Officers are pursuing companies that failed to apply for support but whom it is believed should be eligible.

4.8 Rateable Values (RV) Finder

4.8.1 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.

4.8.2 The Service is 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.

4.8.3 In 2017/18, the external company found £116.6k new RV for Stevenage and £151k RV for East Herts. This compares to the in-house team who also identified a further £1,989k new RV for Stevenage and £346.5k for East Herts.

Table 21: Rateable Value identified during 2017/18

	East Herts	Stevenage	Total
INFORM	£ 150,900	£ 116,600	£ 267,500
Our Officers	£ 346,570	£ 1,989,275	£ 2,335,845
TOTALS	£ 497,470	£2,105,875	£ 2,603,345

4.8.4 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.

4.8.5 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.

4.8.6 The service continues to give advice and support to other initiatives, including the potential BID for Bishop's Stortford.

4.9 Digital

4.9.1 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.

4.9.2 Currently East Herts and Stevenage 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
- Change of address

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

- 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

4.9.4 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.

4.9.5 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. The table below demonstrates some of the movement in take up between July 2017 and March 2018.

Table 22: Take up of digital options

	EHC	EHC	SBC	SBC
	Jul-17	Mar-18	Jul-17	Mar-18
Registered accounts	3100	5586	164	1226
Council Tax ;				
Online Direct Debit set up	351	2384	60	726
Online Change of address notification	454	2695	76	492
E Billing	378	726	8	116
Benefits :	112	185	4	43
Landlords	25	34	1	4

4.9.6 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'.

4.9.7 All front line staff have to be committed to channel shift and to engage customers at first point of contact to move to digital services where they are able to. Delays have been experienced as this approach requires new ways of working and corporate support is required to engage other service

areas in this objective. The objective is to be *digital by default* and accordingly considerable efforts will be made to engage both staff and customers in the coming year.

4.10 Single Fraud Investigation Service (SFIS)

- 4.10.1 The DWP's single fraud investigation service subsumed the Benefits fraud team from the 1 May 2015 for both Stevenage and East Herts.
- 4.10.2 New procedures for referring cases to the DWP are in place, but local authorities remain responsible for providing relevant information, carrying out adjudications and the collection of any overpayments generated.
- 4.10.3 The DWP appear to be improving in some areas, and are now carrying out prosecutions in high value cases. Administrative penalties of 50% can be applied to lower value cases, but this is an addition to the value of any overpayment that is to be recovered. This increases the debt that the Council has to recover.
- 4.10.4 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 & tenancy matters (including homelessness/housing applications) where there is suspicion of fraud.

4.11 Service plan objectives 2018/19

- 4.11.1 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.

4.12 Print & post contract

- 4.12.1 Following some delays a joint (between both Councils) print & post tender is currently being prepared 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.

4.13 Enforcement framework

- 4.13.1 The service is exploring with other Councils the scope to set up an Enforcement partnership. This is in the early days of discussion and accordingly is yet to be evaluated.

4.14 Supporting customers

- 4.14.1 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.

4.15 Challenges - Reduction in staff

- 4.15.1 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 been deleted. The Revenues team have struggled with the reduced staff numbers (two) and this is reflected in the lower in year collection rate. The number of properties in both areas is increasing and accordingly officers continue to seek other efficiencies to maintain capacity.

4.15.2 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.

4.15.3 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.

4.16 Freedom of information requests

4.16.1. The service continues to be a focus for many FOI requests, These are time consuming and expensive to respond to. Interestingly at East Herts, the service receives approximately 14% of all FOI's submitted to the Council. Many of these are Business Rates related, where private companies seek information for their business activities.

Table 23: Freedom of information requests

	EHC	SBC
2016/17	102	85*
2017/18	82	74*

- SBC have changed recording systems from April 2018 and these are best estimates of prior year enquires.

4.17 Outturn budget for 2017/18

4.17.1 The table below shows the outturn for both 2016/17 and 2017/18, and the initial budget for 2018/19.

Table 24: Shared service budgets

	2016/17 OUTTURN	2017/18 OUTTURN	ORIGINAL BUDGET 2018/19
REVENUES & HOUSING BENEFITS	£	£	£
- SHARED SERVICE			
EXPENDITURE			
Employees	3,207,601	3,043,113.37	3,076,000
Transport Related Expenses	16,838	16,015.04	16,350
Supplies & Services	249,899	213,647	242,950
Support Services & Divisional Costs	1,141,730	950,493	1,168,060

Expenditure Total	4,616,068	4,223,268	4,503,360
Income From Other Authorities	1,584,779	1,557,530.15	1,648,500
Section Recharge	3,031,289	2,665,738.00	2,854,860
Income Total	4,616,068	4,223,268	4,503,360

4.17.2 The following table demonstrates the distribution of the underspend between each Council. In addition to these underspend each Council received new burdens funding that was not pulled in to the shared service during the year and accordingly increased the value of the underspends.

Table 25: Distribution of underspends.

2017/18	Budget 2017/18	Outturn 17/18	In year underspend (overspend)
SBC contribution	1,594,900	1,525,318	69,582
EHC contribution	2,767,531	2,697,950	69,582
Total	4,362,432	4,223,268	139,164

5. IMPLICATIONS

Financial Implications

5.1 As detailed in the report

Legal Implications

5.2 None

Risk Implications

5.3 None

Background Papers

None

Appendices

None