

**Head of Finance
Estimates 2022/23**

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Estimates 2022/23
Summary**

	2020-21	2021-22		2022-23		
	Actuals	Original Estimate	Probable Outturn	Gross Expenditure	Gross Income	Net Expenditure
	£000's	£000's	£000's	£000's	£000's	£000's
Housing Benefits	721	1,018	1,227	23,856	(22,536)	1,320
Local Taxation	1,676	1,691	1,646	2,358	(481)	1,877
Other Activities	290	372	731	774	-	774
Directorate Total	2,687	3,081	3,604	26,987	(23,017)	3,970
Finance Support Services	2,312	2,273	2,487	2,997	-	2,997
Internally Recharged	(2,312)	(2,273)	(2,487)	(2,997)	-	(2,997)
Total Expenditure to General Fund	2,687	3,081	3,604	26,987	(23,017)	3,970
Continuing Services Budget	1,980	2,496	2,878			3,215
Funded from Earmarked Reserves	707	586	726			755
Total	2,687	3,081	3,604			3,970
Total Expenditure to General Fund	2,687	3,081	3,604			3,970

Head of Finance
Estimates 2022/23
Housing Benefits

	2020-21	2021-22		2022-23			
	Actuals	Original Estimate	Probable Outturn	Gross Expenditure	Gross Income	Net Expenditure	
	£000's	£000's	£000's	£000's	£000's	£000's	
Housing Benefit & Council Tax Support	378	724	597	23,324	(22,536)	788	The Housing Benefit Team administer Housing Benefit for residents in Council homes, privately rented homes and homelessness cases and are also responsible for the administration of the Local Council Tax Support Scheme (LCTS) for residents that qualify. This budget includes all the staffing costs, supplies and recharges that are involved in the HBen and LCTS and includes the Subsidy income from DWP. Included in the Budget is a £77,500 saving from the service review that was undertaken. Year on year increase in budget, after allowing for Transformation saving is due to lower level of Admin Grant from DWP, pay award and associated increase in recharge costs and projections on levels of overpayment recovery.
Non Hra Rent Rebates	144	-	114	127	-	127	This budget relates to homeless people placed in Bed and Breakfast accommodation. Expenditure levels can be quite volatile and vary from one year to another. Generally, only around 50% of expenditure is reimbursed in subsidy. This budget was previously set within the Homelessness service.
Rent Allowances	128	183	408	254	-	254	Rent Allowances are benefits paid to Private Tenants and while the majority is covered by the Departments of Work and Pension Subsidy grant, it does not fully match expenditure. The additional expenditure in 2022/23 compared to 2021/22 is due to reduced DWP Admin Grant and fewer overpayments being recovered. Probable outturn is above budget due to subsidy not covering expenditure in full and projections indicating lower levels of overpayments being recovered.
Rent Rebates	70	111	108	150	-	150	Rent Rebates are given to Council Tenants based upon their circumstances and the Department for Work and Pensions reimburse the Council for benefits paid. The additional expenditure in 2022/23 compared to 2021/22 is due to reduced DWP Admin Grant and fewer overpayments being recovered
Grand Total	721	1,018	1,227	23,856	(22,536)	1,320	

**Head of Finance
Estimates 2022/23
Local Taxation**

	2020-21	2021-22		2022-23			
	Actuals	Original Estimate	Probable Outturn	Gross Expenditure	Gross Income	Net Expenditure	
	£000's	£000's	£000's	£000's	£000's	£000's	
Council Tax Collection	1,279	1,278	1,174	1,514	(212)	1,302	<p>The Council Tax Team are responsible for the setting of the Tax Base each year and annual billing to over 60,000 charge payers. There is ongoing administration such change of address, plus reviewing and applying appropriate discounts and disregards to charge payers accounts. The team is also responsible for recovery of arrears and maintaining a high collection rate and was joint top performing Council in the Country in 2020/21.</p> <p>Included in the Budget is a £77,500 saving from the service review that was undertaken. This will fully occur in 2022.23. This budget, like NNDR below, has increased costs such as the pay award and associated increase in recharged costs, some inflationary increases on Postage and Printing, and higher volumes in transactional costs as the number of charge payers increases.</p>
Nndr Collection	397	414	472	844	(270)	575	<p>National Non Domestic Rate income (Business Rates) is accounted for in the Collection Fund, but collection costs are accounted for in the General Fund with an allowance from Central Government to assist. This allowance is non incremental where as costs of collection increase over time due to inflation. Increase in budget is in the main the pay award and associated increase in recharged costs, some inflationary increases on Postage and Printing and increase in cost on subscription to Rateable Value Finder subscription</p>
Grand Total	1,676	1,691	1,646	2,358	(481)	1,877	

**Head of Finance
Estimates 2022/23
Other Activities**

	2020-21	2021-22		2022-23			
	Actuals	Original Estimate	Probable Outturn	Gross Expenditure	Gross Income	Net Expenditure	
	£000's	£000's	£000's	£000's	£000's	£000's	
A14 Highways England	198	13	200	200	-	200	25-year commitment to paying £5,000,000 contribution towards the A14 upgrade completed in 2020. Payments of £200,000 annually were agreed prior to commencement of the project. Committed funds are held in an earmarked reserve, which will cover 21/22 and remaining 23 payments. This is treated as Revenue expenditure funded from capital as it does not result in the creation of a Council asset but the expenditure is of a capital nature.
Cambridge Leisure & Ice Centre	27	20	10	11	-	11	This service includes officer time and consultants fee for the annual determination of fair value for use within the Council's annual Statement of Accounts.
City Deal	3	3	219	238	-	238	This budget related to Greater Cambridge Partnership (GCP, formerly City Deal). Prior year shows activities fulfilled by the Council officers. Current and next year show the budget for the contribution to the GCP as agreed by the leaders of the Councils within the group.
Finance Miscellaneous	1	6	1	1	-	1	This budget relates to any miscellaneous costs which can not be accounted for elsewhere.
Prov Bad and Doubt Debts	-	250	250	250	-	250	This budget accounts for officer estimations of the amount to be set aside for non payment of sums due to the Council.
Treasury Management	61	80	50	73	-	73	The Treasury Team manages the Council's investment and borrowing portfolios and cash management duties in line with it's annual strategy statement and CIPFA guidance in the Prudential Code. The costs here relate to the annual cost of the Councils treasury advisers and brokerage fees for short term borrowings.
Grand Total	290	372	731	774	-	774	

**Head of Finance
Estimates 2022/23
Finance Support Services**

	2020-21	2021-22		2022-23			
	Actuals	Original Estimate	Probable Outturn	Gross Expenditure	Gross Income	Net Expenditure	
	£000's	£000's	£000's	£000's	£000's	£000's	
Accountancy	1,367	1,273	1,492	1,780	-	1,780	This budget covers the costs of the Corporate Accounting team, staffing and service. A higher than anticipated agency cost of £230,000 is reflected in the increase in the probable outturn for 2021/22 compared to original budget. A further increase in the budget for year 2022/23 is based on higher agency staff costs carrying on into that year. Increased cost of agency staff is to clear the external Audit backlog, this has been approved during the year.
Accounts Payable	162	139	185	226	-	226	This budget is comprised of the staffing costs of the Accounts Payable team, processing invoices for payment for the Council. Additional staff requirements increased the ongoing cost of the team. This was not initially reflected in the budget. Therefore actual costs forecast for 2021/22 exceed budget, but budgeted costs for 2022/23 are reflective of the current staffing levels.
Accounts Receivable	118	139	128	150	-	150	This budget is comprised of the staffing costs of the Accounts Receivable team. The team issues invoices to our commercial and residential customers, maintains customer accounts and performs recovery on overdue accounts.
Cashiers	34	50	53	61	-	61	This budget is comprised of the staffing costs of one employee and recharges. The Cashier processes unidentified and bulk payments received by our Axis Income Management system (AIM), processes and deposits cheques received and submits DD files for the collection of NNDR, Ctax, Rents and Accounts Receivable.
Corporate Fraud	155	210	172	274	-	274	This budget comprised of staff and service costs of the corporate counter fraud team. The team focuses on preventing, detecting, investigating and reporting on claims and loss of revenue for the council. The decrease in the probable outturn for 2021/22 relates to the lower than budgeted staff costs due to challenges with recruiting officers with relevant specialism. Full staffing budget is expected to be achieved in 2022/23, this is reflected in higher budget for the year. The 2022/23 budget includes a bid for an additional Fraud Investigator.
Insurance & Risk Management	231	155	177	195	-	195	This is the cost of corporate insurances, such as building insurance, professional indemnity, computer equipment and employer's liability, which are all fully recharged across the Council. There was an increase in insurance premiums year on year, up to 10% in some areas, due to hardening insurance market.

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	Actuals	Original Estimate	Probable Outturn	Gross Expenditure	Gross Income	Net Expenditure	
	£000's	£000's	£000's	£000's	£000's	£000's	
Internal Audit	151	136	144	152	-	152	A shared service between the Council and Cambridge City Council for Internal Audit. The increase in budget is due to staff inflation and NI increase. Also higher internal overhead recharges have increased the budget.
Procurement	93	170	135	160	-	160	This budget is made up staff costs of the Corporate Procurement team, which for 2021/22 included some staffing bids. One of the roles was successfully filled by an apprentice, whose services covered the requirements of the team and the bid for was therefore removed from 2022/23 budget.
Grand Total	2,312	2,273	2,487	2,997	-	2,997	

Head of Finance
Subjective Analysis 2022/23

	Employee Expenses	Premises Related Expenses	Transport Related Expenses	Supplies & Services	Support Services	Internal Recharges	Total Expenditure	Fees & Charges	Other Contributions	Government Contributions	Total Income	Net Expenditure
Housing Benefits												
Housing Benefit & Council Tax Support	948,590			22,320,160	586,800	(531,380)	23,324,170	(178,780)		(22,357,060)	(22,535,840)	788,330
Non Hra Rent Rebates						127,460	127,460					127,460
Rent Allowances						253,990	253,990					253,990
Rent Rebates						149,930	149,930					149,930
Local Taxation												
Council Tax Collection	586,050			219,750	707,720		1,513,520	(211,600)		-	(211,600)	1,301,920
Nndr Collection	427,750		-	101,100	315,560		844,410	(26,820)	(243,010)	-	(269,830)	574,580
Other Activities												
A14 Highways England	-			200,000	-		200,000	-			-	200,000
Cambridge Leisure & Ice Centre				3,500	7,940		11,440					11,440
City Deal				237,570	-		237,570					237,570
Finance Miscellaneous				-	1,200		1,200					1,200
Prov Bad and Doubt Debts				250,000			250,000					250,000
Treasury Management				75,000	71,830	(73,420)	73,410					73,410
Finance Support Services												
Accountancy	1,492,870		450	77,770	209,200	(1,780,290)	-	-			-	-
Accounts Payable	80,420				145,250	(225,670)	-					-
Accounts Receiveable	96,660			15,630	37,380	(149,670)	-	-			-	-
Cashiers	32,690			19,360	9,010	(61,060)	-					-
Corporate Fraud	211,980			4,280	57,590	(273,850)	-					-
Insurance & Risk Management	65,160	5,710	240	123,780	40	(194,930)	-					-
Internal Audit	-			131,670	20,800	(152,470)	-					-
Procurement	88,920			2,700	67,930	(159,550)	-					-
Grand Total	4,031,090	5,710	690	23,782,270	2,238,250	(3,070,910)	26,987,100	(417,200)	(243,010)	(22,357,060)	(23,017,270)	3,969,830