

**Head of Finance
Estimates 2023/24**

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Estimates 2023/24
Summary**

	2021-22	2022-23		2023-24		
	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	856	1,320	1,366	18,968	(17,722)	1,246
Local Taxation	1,598	1,877	1,915	3,044	(508)	2,536
Other Activities	625	774	505	4,824	-	4,824
Service Area Total	3,079	3,970	3,786	26,837	(18,230)	8,607
Finance Support Services	2,707	3,000	3,091	3,303	-	3,303
Internally Recharged	(2,707)	(3,000)	(3,091)	(3,303)	-	(3,303)
Total Expenditure to General Fund	3,079	3,970	3,786	26,837	(18,230)	8,607
Continuing Services Budget	2,539	3,212	3,139			3,450
Funded from Earmarked Reserves	540	758	647			5,157
Total	3,079	3,970	3,786			8,607
Total Expenditure to General Fund	3,079	3,970	3,786			8,607

**Head of Finance
Estimates 2023/24
Housing Benefits**

	2021-22	2022-23		2023-24			
	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	353	788	824	18,495	(17,722)	773	This service administers 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 Housing Benefit and LCTS and includes the Subsidy income from DWP. A total of £125,000 Transformation Project savings have been removed from the budget over two years, £77,500 in 2022/23 and £47,500 in 2023/24.
Non Hra Rent Rebates	190	127	137	126	-	126	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.
Rent Allowances	220	254	292	250	-	250	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	95	150	113	98	-	98	Rent Rebates are given to Council Tenants based upon their circumstances and the Department for Work and Pensions reimburse the Council for benefits paid.
Grand Total	856	1,320	1,366	18,968	(17,722)	1,246	

**Head of Finance
Estimates 2023/24
Local Taxation**

	2021-22	2022-23		2023-24			
	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	1,259	1,302	1,369	1,961	(231)	1,730	<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. In 2021/22 the Council was second in the Country on Collection.</p> <p>Transformation Project savings totalling £125,000 (£77,500 2022/23 and £47,500 2023/24) has been included in the budgets. This increase in 2023/24 is due to a new allocation of Transformation Project costs (£286,000) to identify further savings as part of phase 2. There are also inflationary increases on ICT costs. For example there is a 12.5% rise in the contract costs for the Civica system.</p>
Nndr Collection	338	575	546	1,083	(277)	807	<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 a new allocation of Transformation Project costs (£286,000) for work to identify savings in NNDR administration, plus some inflationary increase on ICT costs as detailed above.</p>
Grand Total	1,598	1,877	1,915	3,044	(508)	2,536	

**Head of Finance
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Other Activities**

	2021-22	2022-23		2023-24			
	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	200	200	-	242	-	242	A 25 year commitment to paying a £6,050,000 contribution towards the A14 upgrade completed in 2020. Payments of £242,000 annually were agreed prior to commencement of the project. Committed funds are held in an earmarked reserve, which will cover 23/24 and remaining 24 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	16	11	37	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. The 2022/23 Probable Outturn includes legal costs to draw up the revised loan agreement.
Finance Miscellaneous	37	1	9	10	-	10	This budget relates to any miscellaneous costs which can not be accounted for elsewhere.
Greater Cambridge Partnership	224	238	243	4,331	-	4,331	This budget relates to Greater Cambridge Partnership (GCP, formerly City Deal). Contributions to the GCP were agreed by the leaders of the Councils within the group some years ago as a percentage of New Home Bonus received by the relevant councils. This was placed in a reserve, which has been added to over the years, as invoicing was limited to the funds spent directly on GCP work. During 2023/24 all remaining funds are required to be paid to the GCP which will be invoiced at regular intervals during the year. The reserve is expected to be fully utilised by the end of the 2023/24 for this purpose.
Prov Bad and Doubt Debts	105	250	150	150	-	150	This budget accounts for officer estimations of the amount to be set aside for non payment of sums due to the Council.
Treasury Management	44	73	67	80	-	80	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. Each tranche of £5million, one year borrowing costs £5,000 in Brokerage and increased activity from new loans and renewals will lead to an increase in Treasury Management costs
Grand Total	625	774	505	4,824	-	4,824	

**Head of Finance
Estimates 2023/24
Finance Support Services**

	2021-22	2022-23		2023-24			
	Actuals	Original Estimate	Probable Outturn	Gross Expenditure	Gross Income	Net Expenditure	
	£000's	£000's	£000's	£000's	£000's	£000's	
Accountancy	1,666	1,780	1,821	1,983	-	1,983	This budget covers the costs of the Corporate Accounting team, staffing and service. Higher than anticipated staff costs of £50,000 are reflected in the probable outturn for 2022/23 compared to original budget. A further increase in the budget for year 2023/24 is based on higher agency staff costs carrying on into that year related to the continued catch up process with the final accounts.
Accounts Payable	199	226	222	227	-	227	This budget is comprised of the staffing costs of the Accounts Payable team, who process invoices for payment by the Council.
Accounts Receivable	124	150	145	156	-	156	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 other than those related to Council Tax, Business Rates and Housing Rents.
Cashiers	42	63	48	49	-	49	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, Council Tax, Rents and Accounts Receivable.
Corporate Fraud	201	274	321	310	-	310	This budget comprised of staff and service costs of the corporate counter fraud team. The team focuses on preventing, detecting, investigating and reporting on fraud and attempted fraud against the Council. Included in the budget for the probable outturn 2022/23 is £34,000 for agency cost due the challenges the service has faced in recruiting staff who are equipped with the specialist knowledge required to undertake the work the service delivers. The increase in the probable outturn for 2022/23 and 2023/24 relates to staff costs to continue catching up with work pushed back due to high level of COVID-related activity.
Insurance & Risk Management	209	195	203	212	-	212	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. The small increase in the probable outturn 2022/23 and 2023/24 budget is due to a retender of the insurance contract.
Internal Audit	135	152	172	175	-	175	A shared service between the Council and Cambridge City Council for Internal Audit. The probable outturn 2022/23 includes an increase of £17,410 and a further £5,080 in 2023/24 for the contribution to Cambridge City Council in relation to the work they will undertake on behalf of the Council.

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	2021-22	2022-23		2023-24		
	Actuals	Original Estimate	Probable Outturn	Gross Expenditure	Gross Income	Net Expenditure
	£000's	£000's	£000's	£000's	£000's	£000's
Procurement	132	160	159	191	-	191
Grand Total	2,707	3,000	3,091	3,303	-	3,303

This budget is made up of the staff costs of the Corporate Procurement team. Procurement team deals with various procurement issues within the Council and supports services during periods of tender exercises. The team consists of the Procurement Manager and an apprentice. The 2023/24 budget includes a prior year bid of £35,000 for Contract Support Officer during 2023/24 hence the increase in budget for that year.

**Head of Finance
Subjective Analysis 2023/24**

	Employee Expenses	Premises Related Expenses	Transport Related Expenses	Supplies and Services	Transfer Payments	Third Party Payments	Depreciation and Impairment Losses	Support Services	Internal Recharges	Total Expenditure	Government Contributions	Misc Income	Other Contributions	Total Income	Net Expenditure
Housing Benefits															
Housing Benefit & Council Tax Support	1,000,750	-	3,000	107,950	17,410,100			458,120	(485,140)	18,494,780	(17,596,610)	(125,380)		(17,721,990)	772,790
Non Hra Rent Rebates									126,040	126,040					126,040
Rent Allowances									249,640	249,640					249,640
Rent Rebates									97,780	97,780					97,780
Local Taxation															
Council Tax Collection	646,550		-	228,050				1,086,270	-	1,960,870	-	(231,000)		(231,000)	1,729,870
Ndr Collection	445,790		4,500	80,010				553,040		1,083,340	-	(32,550)	(244,170)	(276,720)	806,620
Other Activities															
A14 Highways England	-						242,000	-		242,000			-	-	242,000
Cambridge Leisure & Ice Centre				3,500				7,270		10,770					10,770
Finance Miscellaneous				-				9,960		9,960					9,960
Greater Cambridge Partnership				4,326,840				4,320		4,331,160					4,331,160
Prov Bad and Doubt Debts				150,000						150,000					150,000
Treasury Management				91,860				68,770	(80,310)	80,320					80,320
Finance Support Services															
Accountancy	1,657,700	-	650	100,070		-	-	224,520	(1,982,940)	-		-		-	-
Accounts Payable	75,580							151,440	(227,020)	-				-	-
Accounts Receivable	103,850			17,290				37,080	(158,220)	-		-		-	-
Cashiers	29,300			8,500				11,100	(48,900)	-				-	-
Corporate Fraud	231,690		200	6,780		-		71,750	(310,420)	-				-	-
Insurance & Risk Management	82,500	3,680	-	122,430				3,760	(212,370)	-				-	-
Internal Audit				-		154,160		20,400	(174,560)	-				-	-
Procurement	130,940		100	3,440				56,450	(190,930)	-				-	-
Grand Total	4,404,650	3,680	8,450	5,246,720	17,410,100	154,160	242,000	2,764,250	(3,397,350)	26,836,660	(17,596,610)	(388,930)	(244,170)	(18,229,710)	8,606,950