

**Essex County Wide Traveller Unit Joint Committee Meeting
29 October 2015**

Report by Sarah Broadley, Finance Business partner

Finance Report for the Essex County Wide Traveller Unit

Enquiries to Sarah Broadley, ECC Finance Business Partner, Tel: 07795 551630

Purpose

1. To note the financial update for the six months to 25 September 2015
2. To note recommendations for the budget for 2016/17 and 2017/18
3. To note recommendations for the membership fees for 2016/17 and 2017/18
4. To note the response of the External Auditor regarding the Annual Submission for 2014/15

1. Financial Update for period 01/04/15 – 25/09/15

	2015/16 Budget	Actuals to 25th Sept 2015	Budget Remaining	Forecast Outturn	Forecast variance
Expenditure:					
Employees	£221,051	£107,957	£113,094	£221,051	£0
Supplies & Services	£9,926	-£9,503	£19,429	-£3,880	-£13,806
Transport & Mileage	£19,836	£10,328	£9,508	£19,836	£0
Gross Expenditure	£250,813	£108,782	£142,031	£237,007	-£13,806
Income:					
Partner Contributions	-£277,783	-£233,257	-£44,527	-£277,783	£0
Gross Income	-£277,783	-£233,257	-£44,527	-£277,783	£0
Forecast Surplus	-£26,970			-£40,776	

1.1 The 2015/16 budget was based anticipating a surplus of £26,970. Due to reimbursement of Legal Fees (£13,650) that were incorrectly charged to ECTU in 2014/15, the forecast surplus is £40,776

1.2 The reimbursement of Legal Fees has been coded to Supplies & Services

1.3 84% of income has been invoiced. Half yearly invoices were raised in July 2015 to all Districts/Boroughs/Unitaries and Essex Fire & Rescue. Thurrock and Basildon invoices have not yet been paid.

1.4 The opening reserve balance as at 1st April was £83,620. If the surplus of £40,776 is achieved, the reserve will rise to £124,396. Balances are required to protect the Joint Committee from a significant event(s) which would have a significant effect such as the loss of revenues or a sudden increase in expenditure. It is difficult to accurately predict such occurrences and given that a) there has only been a couple of full years of operation, b) risks to expenditure and income levels are considered low and c) the current reserve represents approx 4 months of average operational expenditure

2. Proposed Budgets for 2016/17 and 2017/18

	2014/15 Budget	2014/15 Actuals	2015/16	2016/17	2017/18
Expenditure:					
Employees	£234,151	£210,931	£221,051	£225,472	£229,981
Supplies & Services	£2,984	£71,309	£9,926	£10,125	£10,327
Transport & Mileage	£18,581	£20,162	£19,836	£20,233	£20,637
Gross Expenditure	£255,716	£302,401	£250,813	£255,829	£260,946
Income:					
Partner Contributions	-£255,716	-£294,178	-£277,783	-£258,136	-£258,136
Gross Income	-£255,716	-£294,178	-£277,783	-£258,136	-£258,136
Net Expenditure (Surplus) / Deficit	£0	£8,223	-£26,970	-£2,307	£2,810

The 2016/17 and 2017/18 proposed budgets include an assumed annual inflation on expenditure of 2%.

3. Membership Fees

A 10% reduction has been applied to the 2015/16 Membership Subscriptions. It is proposed that the Essex County Council Gypsy & Traveller contribution and Public Health contributions are reduced by 10% to reduce the overall ECC contribution to ECTU from 73% to 71%. It is felt that the other subscriptions fees are fair and good value for money.

Organisation	2015/16 Fee	Total	% Contribution per Member	10% Reduction	2016/17 Revised Fee	16/17 % Contribution per member
<u>Essex County Council:</u>						
ECC - Gypsy & Traveller	£132,558	£132,558	48%	£13,256	£119,302	46%
ECC - Highways	£6,463	£6,463	2%		£6,463	3%
Public Health (5 CCGs)	£12,782	£12,782	5%	£1,278.20	£11,504	4%
Public Health (5 CCGs)	£12,782	£12,782	5%	£1,278.20	£11,504	4%
Public Health (5 CCGs)	£12,782	£12,782	5%	£1,278.20	£11,504	4%
Public Health (5 CCGs)	£12,782	£12,782	5%	£1,278.20	£11,504	4%
Public Health (5 CCGs)	£12,782	£12,782	5%	£1,278.20	£11,504	4%
Total ECC		£202,931	73%	£19,647	£183,284	71%
Essex Fire and Rescue	£23,148	£23,148	8%		£23,148	9%
<u>Districts / Boroughs & Unitary:</u>						
Uttlesford District Council	£6,463	£6,463	2%		£6,463	3%
Thurrock Council	£6,463	£6,463	2%		£6,463	3%
Rochford District Council	£6,463	£6,463	2%		£6,463	3%
Maldon District Council	£6,463	£6,463	2%		£6,463	3%
Colchester Borough Council	£6,463	£6,463	2%		£6,463	3%
Tendring District Council	£6,463	£6,463	2%		£6,463	3%
Basildon Borough Council	£6,463	£6,463	2%		£6,463	3%
Castlepoint Borough Council	£6,463	£6,463	2%		£6,463	3%
Total Districts/Boroughs/Unitary		£51,704	19%		£51,704	20%
Total Subscriptions		£277,783		£19,647	£258,136	

If the proposed reductions are agreed the reserve balances are likely to be as follows:

	2015/16 Closing Balance	2016/17 Balance	2017/18 Balance
10% Reduction - ECC G&T & Public Health Subscriptions			
Reserve Balance	£124,396	£126,703	£123,893

4. Response of External Auditor for 2014/15 Annual Submission

4.1 The External Auditor Report for 2014/15 stated:

“On the basis of our review, in our opinion the information in the annual return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met”

4.2 The accounts for 2014/15 are to be accepted and have published.

4.3 The External Auditors report to be accepted.

4.4 The External Audit Report is attached.



ECTU 201415 Annual
Return with External