

**Essex County Wide Traveller Unit Joint Committee Meeting 21<sup>st</sup> November 2023**

**Report by Tracey Cole, Accounting Technician**

**Finance Report for the Essex County Wide Traveller Unit**

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<b>Purpose</b>	
<b>1.</b>	To note the financial update for the six months to 30 <sup>th</sup> September 2023
<b>2.</b>	To agree the proposed budgets for 2024/25 and 2025/26
<b>3.</b>	To agree the proposed 2024/25 Membership Fees
<b>4.</b>	To note the Balance Sheet Reserves (subject to Joint Committee decision).

## 1. 2023/24 Forecast Outturn Position as at 30<sup>th</sup> September 2023

	2023/24 Budget	Actuals to 30th September 2023	Forecast Outturn	Variance
<b><u>Expenditure:</u></b>				
Employees	£317,202	£155,861	£315,341	(£1,861)
Premises	£0	£25	£25	£25
Supplies & Services	£47,712	£20,843	£64,725	£17,013
Transport & Mileage	£16,162	£10,109	£19,324	£3,162
Third Party Payments	£0	£33	£33	£33
Transfer Payments	£0	£0	£0	£0
Legal	£20,471	£6,383	£14,249	(£6,222)
<b>Gross Expenditure</b>	<b>£401,547</b>	<b>£193,254</b>	<b>£413,697</b>	<b>£12,150</b>
<b><u>Income:</u></b>				
Partner Contributions (inc ECC)	(£401,547)	(£310,115)	(£401,547)	£0
<b>Gross Income</b>	<b>(£401,547)</b>	<b>(£310,115)</b>	<b>(£401,547)</b>	<b>£0</b>
<b>Forecast Surplus/Pressure</b>	<b>£0</b>	<b>(£116,861)</b>	<b>£12,150</b>	<b>£12,150</b>

The Essex Countywide Traveller Unit 2023/24 forecast outturn position is a net over spend of £12,150, so a drawdown of this amount from reserves will be required to bring the service online.

To Note:

1. Essex County Councils contribution to the ECTU for 2023/24 is £310,115 across internal partners; this is 75% of the total overall contribution received.
2. This position assumes that legal fees and bailiff costs are similar to 2022/23 spend.
3. The 2023/24 budget was based on approved District/Borough/City Fees of £8,312 from 2022/23.
4. Invoices to all members will be raised during November/December 2023.
5. The opening reserve at 1st April 2023 was a surplus of (£317,073). If all things remain equal the reserve balance is anticipated to be (£304,924) at the end of the financial year (this figure could fluctuate depending on uncontrollable costs).

## 2. Budget for 2023/24 & draft budget for future years

	<b>2022/23 Budget</b>	<b>2023/24 Budget</b>	<b>2024/25 Draft Budget</b>	<b>2025/26 Draft Budget</b>
<b>Expenditure:</b>				
Employees	£307,217	£317,202	£331,476	£338,106
Supplies & Services	£66,966	£47,712	£49,477	£50,962
Legal	£19,779	£20,471	£21,228	£21,865
Transport & Mileage	£15,615	£16,162	£16,760	£17,263
Third Party Payments	£0	£0	£0	£0
<b>Gross Expenditure</b>	<b>£409,577</b>	<b>£401,547</b>	<b>£418,942</b>	<b>£428,195</b>
<b>Income:</b>				
Partner Contributions	(£409,577)	(£401,547)	(£401,547)	(£401,547)
Draw from Reserves			(£17,395)	(£26,648)
<b>Gross Income</b>	<b>(£409,577)</b>	<b>(£401,547)</b>	<b>(£418,942)</b>	<b>(£428,195)</b>
<b>Net Expenditure (Surplus) / Deficit</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>

The 2024/25 proposed draft budget assumes the following:

- No increases to membership fees (subject to Joint Committee decision). As detailed in 'Proposed 2024/25 Membership Fees' this is due to the current level in reserves. The budget has increased to reflect the full amount of fees from both ECC and its internal and external partners.
- Employee budgets have been increased by 4.5% for 2024/25 and 2% in 2025/26.
- All other budgets (excluding membership contributions) have been increased by the RPI figure which is currently 3.7% for 2024/25 and 3% for 2025/26, as per the latest information available.
- A draw from reserves will be required if the costs exceed the budget.

### 3. Proposed 2024/25 Membership Fees

The table below presents 3 options for members to consider in respect of membership contributions.

*To note, the Essex Fire & Rescue service have withdrawn their membership which has been reflected in the budgets accordingly.*

**Option 1:** A 1% increase which results in an increase of £83 per District / Borough / City member.

**Option 2:** A 2.5% RPI increase which results in an increase of £208 per District / Borough / City member.

**Option 3:** No increase, due to there being a reserve balance of (£317,073), which is more than 3 months operational costs. (Preferred option).

**A decision is required from the Joint Committee to approve the membership fees for 2024/25.**

Organisation	2023/24 Fee (Approved at the Joint Committee 31st October 2022)	OPTION 1 2024/25 Fee (1% Increase)	OPTION 2 2024/25 Fee (2.5% Increase RPI)	OPTION 3 2024/25 Fee (No Increase)
<b>Essex County Council:</b>				
ECC - Gypsy & Traveller	£221,268	£221,268	£221,268	£221,268
ECC - Highways	£8,312	£8,395	£8,520	£8,312
Public Health	£63,911	£63,911	£63,911	£63,911
Essex Property & Facilities	£8,312	£8,395	£8,520	£8,312
Country Parks	£8,312	£8,395	£8,520	£8,312
<b>Total ECC</b>	<b>£310,115</b>	<b>£310,364</b>	<b>£310,738</b>	<b>£310,115</b>
<b>Essex Fire and Rescue</b>	<b>£12,000</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>
<b>Districts / Boroughs / City &amp; Unitary:</b>				
Uttlesford District Council	£8,312	£8,395	£8,520	£8,312
Thurrock Council	£8,312	£8,395	£8,520	£8,312
Rochford District Council	£8,312	£8,395	£8,520	£8,312
Maldon District Council	£8,312	£8,395	£8,520	£8,312
Colchester City Council	£8,312	£8,395	£8,520	£8,312
Tendring District Council	£8,312	£8,395	£8,520	£8,312
Basildon District Council	£8,312	£8,395	£8,520	£8,312
Castlepoint Borough Council	£8,312	£8,395	£8,520	£8,312
Braintree District Council	£8,312	£8,395	£8,520	£8,312
Brentwood Borough Council	£8,312	£8,395	£8,520	£8,312
Chelmsford City Council	£8,312	£8,395	£8,520	£8,312
<b>Total Districts/Boroughs/City/Unitary</b>	<b>£91,432</b>	<b>£92,346</b>	<b>£93,718</b>	<b>£91,432</b>
<b>Total Subscriptions</b>	<b>£413,547</b>	<b>£402,710</b>	<b>£404,456</b>	<b>£401,547</b>

#### 4. Balance Sheet – Reserves

Balance Sheet: General Balance	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Opening Balance (Surplus)	(£66,798)	£26,462	(£24,927)	(£78,355)	(£143,103)	(£185,268)	(£321,980)	(£317,073)	(£304,924)	(£287,528)
Current Year Net Expenditure (Surplus)	£93,260	(£51,389)	(£53,428)	(£64,748)	(£42,166)	(£136,712)	£4,907	£0	£0	£0
Drawdown From Reserve								£12,150	£17,395	£26,648
<b>Closing Balance (Surplus) / Deficit</b>	£26,462	<b>(£24,927)</b>	<b>(£78,355)</b>	<b>(£143,103)</b>	<b>(£185,268)</b>	<b>(£321,980)</b>	<b>(£317,073)</b>	<b>(£304,924)</b>	<b>(£287,528)</b>	<b>(£260,880)</b>

Note – Reserves balances assumes drawdown from reserves in future years as per the Draft Budgets in Table 2.