

Essex County Wide Traveller Unit Operations Board 21st October 2022

Report by Donna Norman, Assistant Accountant

Finance Report for the Essex County Wide Traveller Unit

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Purpose	
1.	To note the financial update for the six months to 30 th September 2022
2.	To note the proposed budgets for 2023/24 and 2024/25 (subject to Decision at Joint Committee meeting to be held on 31 st October 2022)
3.	To note the proposed 2023/24 Membership Fees (subject to Joint committee decision)
4.	To note the Balance Sheet Reserves (subject to Joint Committee decision).

1. 2022/23 Outturn Position as at 30th September 2022

	2022/23 Budget	Actuals to 30th September 2022	Outturn	Variance
Expenditure:				
Employees	£307,217	£163,140	£307,217	£0
Premises	£0	£0	£0	£0
Supplies & Services	£66,966	£46,691	£66,966	£0
Transport & Mileage	£15,615	£8,340	£15,615	£0
Third Party Payments	£0	£0	£0	£0
Transfer Payments	£0	£0	£0	£0
Legal	£19,779	£5,437	£19,779	£0
Gross Expenditure	£409,577	£223,609	£409,577	£0
Income:				
Partner Contributions (inc ECC)	(£409,577)	(£237,892)	(£413,547)	(£3,970)
Gross Income	(£409,577)	(£237,892)	(£413,547)	(£3,970)
Forecast Surplus	£0	(£14,283)	(£3,970)	(£3,970)

The Essex Countywide Traveller Unit 2022/23 forecast outturn position is a net underspend position of (£3,970), giving a variance compared to budget of (£3,970).

To Note:

1. Essex County Councils contribution to the ECTU for 2022/23 is £310,115 across internal partners. Which is 75% of the total overall contribution received.
2. This position assumes that legal fees and bailiff costs are similar to 2021/22 spend.
3. The 2022/23 budget was based on approved District/Borough Fees of £8,312 from 2022/23.
4. Invoices to all members will be raised during November/December 2022.
5. The opening reserve at 1st April 2022 was a surplus of £321,980. If all things remain equal the reserve balance is anticipated to be £325,950 at the end of the financial year (this figure could fluctuate depending on uncontrollable costs).

2. Budget for 2022/23 & 2023/24 and proposed budget for future years

	2021/22	2021/22	2022/23	2023/24	2024/25	2025/26
	Budget	Actuals	Budget	Budget Agreed	Draft Budget	Draft Budget
Expenditure:						
Employees	£297,547	£275,833	£307,217	£317,202	£327,511	£338,155
Supplies & Services	£70,000	£26,218	£66,966	£55,743	£57,304	£59,023
Legal	£15,000	£23,167	£19,779	£20,471	£21,044	£21,676
Transport & Mileage	£19,000	£14,643	£15,615	£16,162	£16,614	£17,112
Third Party Payments	£0	(£63,824)	£0			
Gross Expenditure	£401,547	£276,036	£409,577	£409,577	£422,473	£435,966
Income:						
Partner Contributions	(£401,547)	(£412,750)	(£409,577)	(£409,577)	(£413,547)	(£413,547)
Draw from Reserves					(£8,926)	(£22,419)
Gross Income	(£401,547)	(£412,750)	(£409,577)	(£409,577)	(£422,473)	(£435,966)
Net Expenditure (Surplus) / Deficit	£0	(£136,713)	£0	£0	(£0)	(£0)

The 2024/25 proposed draft budget assumes the following:

- No increases to membership fees (subject to Joint Committee decision). As detailed in 'Proposed 2023/24 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.
- 3.25% increase for Employee budgets (2% Staffing and 1.25% NI Uplift).
- 2.8% RPI increase for Supplies & Services and Transport budgets.
- 2024/25 budgets (excluding membership contributions) have all been increased by the RPI figure which is currently 3.0% as per the latest information available.
- A draw from reserves will be required if the costs exceed the budget.

3. Proposed 2023/24 Membership Fees

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

Option 1: A 1% increase and results in an increase of per District / Borough member of £83

Option 2: No increase, due to there being a reserve balance of £321,980, which is more than 3 months operational costs. (Preferred option).

Option 3: A 4.1% RPI increase and results in an increase per District / Borough member of £341

A decision is required from the Joint Committee to approve the membership fees for 2023/24.

Organisation	2022/23 Fee (Approved at the November 2021 Joint Committee meeting)	OPTION 1 2023/24 Fee (1% Increase)	OPTION 2 Proposed 2023/24 Fee (No Increase)	OPTION 3 2023/24 Fee (4.1% Increase RPI)
Essex County Council:				
ECC - Gypsy & Traveller	£221,268	£221,268	£221,268	£221,268
ECC - Highways	£8,312	£8,395	£8,312	£8,653
Public Health	£63,911	£64,550	£63,911	£66,531
Essex Property & Facilities	£8,312	£8,395	£8,312	£8,653
Country Parks	£8,312	£8,395	£8,312	£8,653
Total ECC	£310,115	£311,003	£310,115	£313,758
Essex Fire and Rescue	£12,000	£12,120	£12,000	£12,492
Districts / Boroughs & Unitary:				
Uttlesford District Council	£8,312	£8,395	£8,312	£8,653
Thurrock Council	£8,312	£8,395	£8,312	£8,653
Rochford District Council	£8,312	£8,395	£8,312	£8,653
Maldon District Council	£8,312	£8,395	£8,312	£8,653
Colchester Borough Council	£8,312	£8,395	£8,312	£8,653
Tendring District Council	£8,312	£8,395	£8,312	£8,653
Basildon Borough Council	£8,312	£8,395	£8,312	£8,653
Castlepoint Borough Council	£8,312	£8,395	£8,312	£8,653
Braintree District Council	£8,312	£8,395	£8,312	£8,653
Brentwood Borough Council	£8,312	£8,395	£8,312	£8,653
Chelmsford City Council	£8,312	£8,395	£8,312	£8,653
Total Districts/Boroughs/Unitary	£91,432	£92,346	£91,432	£95,180
Total Subscriptions	£413,547	£415,470	£413,547	£421,430

4. Balance Sheet – Reserves

Balance Sheet: General Balance	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Opening Balance (Surplus)	(£66,798)	£26,462	(£24,927)	(£78,355)	(£143,103)	(£185,268)	(£321,980)	(£325,950)
Current Year Net Expenditure (Surplus)	£93,260	(£51,389)	(£53,428)	(£64,748)	(£42,166)	(£136,712)	(£3,970)	£0
Closing Balance (Surplus) / Deficit	£26,462	(£24,927)	(£78,355)	(£143,103)	(£185,268)	(£321,980)	(£325,950)	(£325,950)