

**Essex County Wide Traveller Unit Operations Board 11 November 2021**

**Report by Donna Norman, Assistant Accountant**

**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 2021
<b>2.</b>	To note the proposed budgets for 2022/23 and 2023/24 (subject to Decision at Joint Committee meeting to be held on 23 <sup>rd</sup> November 2021)
<b>3.</b>	To note the proposed 2022/23 Membership Fees (subject to Joint committee decision)
<b>4.</b>	To note the Balance Sheet Reserves (subject to Joint Committee decision).

## 1. 2021/22 Outturn Position as at 30<sup>th</sup> September 2021

	2021/22 Budget	Actuals to 30th September 2021	Outturn	Variance
<b><u>Expenditure:</u></b>				
Employees	£297,547	£123,184	£254,727	(£42,820)
Supplies & Services	£70,000	£32,270	£70,000	£0
Legal	£15,000	£10,241	£15,000	£0
Transport & Mileage	£19,000	£10,154	£19,123	£123
<b>Gross Expenditure</b>	<b>£401,547</b>	<b>£175,850</b>	<b>£358,850</b>	<b>(£42,697)</b>
<b><u>Income:</u></b>				
Partner Contributions (inc ECC)	(£401,547)	£0	(£401,547)	£0
<b>Gross Income</b>	<b>(£401,547)</b>	<b>£0</b>	<b>(£401,547)</b>	<b>£0</b>
<b>Forecast Surplus</b>	<b>£0</b>		<b>(£42,697)</b>	<b>(£42,697)</b>

The Essex Countywide Traveller Unit 2021/22 forecast outturn position is a net underspend position of (£42,697), giving a variance compared to budget of (£42,697).

To Note:

1. Essex County Councils contribution to the ECTU for 2021/22 is £306,145 across internal partners. Which is 77% of the total overall contribution received.
2. This position assumes that legal fees and bailiff costs are similar to 2020/21 spend.
3. The 2021/22 budget was based on approved District/Borough Fees of £8,312 from 2020/21.
4. Invoices to all members will be raised in November/December 2021.
5. The opening reserve at 1st April 2021 was a surplus of £185,268. If all things remain equal the reserve balance is anticipated to be £227,966 at the end of the financial year (this figure could fluctuate depending on uncontrollable costs).

## 2. Budget for 2021/22 and proposed budget for future years

	2020/21	2020/21	2021/22	2022/23	2023/24
	Budget	Actuals	Budget Agreed	Draft Proposed Budget	Draft Proposed Budget
<b>Expenditure:</b>					
Employees	£273,710	£279,732	£297,547	£307,217	£317,202
Supplies & Services	£113,972	£116,480	£70,000	£58,936	£47,713
Legal	£0	£0	£15,000	£15,615	£16,162
Transport & Mileage	£21,873	£22,354	£19,000	£19,779	£20,471
<b>Gross Expenditure</b>	<b>£409,555</b>	<b>£418,565</b>	<b>£401,547</b>	<b>£401,547</b>	<b>£401,547</b>
<b>Income:</b>					
Partner Contributions	(£420,725)	(£397,577)	(£401,547)	(£401,547)	(£401,547)
<b>Gross Income</b>	<b>(£420,725)</b>	<b>(£397,577)</b>	<b>(£401,547)</b>	<b>(£401,547)</b>	<b>(£401,547)</b>
<b>Net Expenditure (Surplus) / Deficit</b>	<b>(£11,170)</b>	<b>(£53,428)</b>	<b>(£11,170)</b>	<b>£0</b>	<b>£0</b>

The 2022/23 proposed draft budget assumes the following:

- No increases to membership fees. (subject to Joint Committee decision). As detailed in 'Proposed 2022/23 Membership Fees' due to the current level in reserves.
- 3.25% increase for Employee budgets (2% Staffing and 1.25% NI Uplift)
- 4.1% RPI increase for Supplies & Services and Transport budgets
- Supplies & Services budgets have then been reduced to show an overall net-nil budget.
- 2023/24 budgets (excluding membership contributions) have all been increased by the RPI figure which is currently 3.5% as per the latest information available.

## 3. Proposed 2022/23 Membership Fees

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

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

Option 2 no increase, due to there being £185k reserve balance, which is more than 3 months operational costs (preferred option). **This is the recommended option and a decision is required from the Joint Committee to approve the membership fees for 2022/23.**

Option 3 is a 2.0% RPI increase and results in an increase per District / Borough member of £183

There is no proposal to increase the Essex County Council contribution. **There is also no proposal to increase the Essex Fire & Rescue contribution.**

Organisation	2021/22 Fee (Approved at the November 2020 Joint Committee meeting)	OPTION 1 2022/23 Fee (1% Increase)	OPTION 2 2022/23 Fee (No Increase)	OPTION 3 2022/23 Fee (2% Increase RPI)
<b>Essex County Council:</b>				
ECC - Gypsy & Traveller	£221,268	£221,268	£221,268	£221,268
ECC - Highways	£8,312	£8,395	£8,312	£8,478
Public Health	£59,941	£60,541	£59,941	£61,140
Essex Property & Facilities	£8,312	£8,395	£8,312	£8,478
Country Parks	£8,312	£8,395	£8,312	£8,478
<b>Total ECC</b>	<b>£306,145</b>	<b>£306,994</b>	<b>£306,145</b>	<b>£307,843</b>
<b>Essex Fire and Rescue</b>	<b>£0</b>	<b>£12,120</b>	<b>£12,000</b>	<b>£12,240</b>
<b>Districts / Boroughs &amp; Unitary:</b>				
Uttlesford District Council	£8,312	£8,395	£8,312	£8,495
Thurrock Council	£8,312	£8,395	£8,312	£8,495
Rochford District Council	£8,312	£8,395	£8,312	£8,495
Maldon District Council	£8,312	£8,395	£8,312	£8,495
Colchester Borough Council	£8,312	£8,395	£8,312	£8,495
Tendring District Council	£8,312	£8,395	£8,312	£8,495
Basildon Borough Council	£8,312	£8,395	£8,312	£8,495
Castlepoint Borough Council	£8,312	£8,395	£8,312	£8,495
Braintree District Council	£8,312	£8,395	£8,312	£8,495
Brentwood Borough Council	£8,312	£8,395	£8,312	£8,495
Chelmsford City Council	£8,312	£8,395	£8,312	£8,495
<b>Total Districts/Boroughs/Unitary</b>	<b>£91,432</b>	<b>£92,346</b>	<b>£91,432</b>	<b>£93,443</b>
<b>Total Subscriptions</b>	<b>£397,577</b>	<b>£411,460</b>	<b>£409,577</b>	<b>£413,526</b>

#### 4. Balance Sheet – Reserves

<b>Balance Sheet: General Balance</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
Opening Balance (Surplus)	(£66,798)	£26,462	(£24,927)	(£78,355)	(£143,103)	(£185,268)	(£227,966)	(£227,966)
Current Year Net Expenditure (Surplus)	£93,260	(£51,389)	(£53,428)	(£64,748)	(£42,166)	(£42,697)	(£0)	(£0)
<b>Closing Balance (Surplus) / Deficit</b>	£26,462	(£24,927)	(£78,355)	(£143,103)	(£185,268)	(£227,966)	(£227,966)	(£227,966)