

BRECKLAND DISTRICT COUNCIL

Report of: Treasurer and Head of ARP

To: ARP Joint Committee, 7 December 2015

(Author: Julie Kennealy, Shared Executive Director Commercialisation & Paul Corney, Head of ARP)

Subject: ARP Joint Committee Partnership Budget

Purpose: To set the annual revenue budgets relevant to the Joint Committee for 16-17 and indicative budgets for 17-18 and 18-19

Recommendation(s):

- 1) That the partnership budget for 2016-17 be approved

1.0 BACKGROUND

- 1.1 Budget working papers have been prepared by service management in conjunction with service accountants and reviewed by the S151 Officer for each partner authority. The budgets cover the costs and revenues for providing Council Tax, Housing Benefit payments, Non-Domestic Rates collection services and the new enforcement service for the seven authorities.
- 1.2 Benefits payments and subsidies, court fee income and other grants specific to the individual authorities are not included within the partnership budgets, as these are the direct responsibility of the individual authority and have been reflected in their direct budgets.
- 1.3 Appendix A sets out the proposed budget for 2016-17 compared to the revised budget for 2015-16, with indicative budgets for the following two years. Further tables show the share of costs for each authority, and the proportion that any additional costs or savings against the budget will be shared. The share of the overall budget is split between the different percentages as per the updated Joint Committee 7 partner agreement.
- 1.4 The new enforcement service is budgeted to provide a net income of £150k in 2016-17 and future years. This is a prudent estimate and will be reviewed when the 2017-18 budget is set, as the service will have been in operation for over a year at that stage and we will have more clarity on the likely income.
- 1.5 The budgets include 3 new council tax posts for further recovery which are fully offset by income from the County Councils. The funding for these has been agreed by one county council and negotiations continue with the other two, but the posts will not be recruited to until it is confirmed that they would be cost neutral to the partners.
- 1.6 The 2016-17 budget shows an increase of £237k compared to 2015-16. The main reasons for the variances between years are:
 - Employee related – Increases in establishment for the enforcement service and for the 3 new council tax posts and inflationary salary increases for the existing establishment
 - Transport related – Increased costs relating to the enforcement service
 - Supplies & services – Additional costs relating to the enforcement service and

marketing/branding and inflationary increases for contracts (such as software maintenance) and postages. In future years inflationary increases are expected to be contained through reduced costs from procurement

- Support services – Reduced postage costs which are offset by increased postage costs within supplies and services
- Income – Additional income from the enforcement service and from county councils to fund the 3 new posts.

1.7 In summary after taking into account the changes detailed above, the overall budget position is still in line with last years indicative budget.

2.0 **OPTIONS**

2.1 To approve the partnership budget for 2016-17 as detailed in Appendix A.

2.2 To approve the partnership budget for 2016-17 with amendments

3.0 **REASONS FOR RECOMMENDATION(S)**

3.1 These budgets will form the basis for monitoring financial performance by the Joint Committee in the next financial year and the contributions form part of the individual authority's base budgets for the year.

4.0 **EXPECTED BENEFITS**

4.1 By setting these budgets the partner authorities are able to use the information to set their own budgets and we have a basis for monitoring the financial performance for the next financial year.

5.0 **IMPLICATIONS**

5.1 **Carbon Footprint / Environmental Issues**

5.1.1 It is the opinion of the Report Author that there are no implications.

5.2 **Constitution & Legal**

5.2.1 It is the opinion of the Report Author that there are no implications.

5.3 **Contracts**

5.3.1 It is the opinion of the Report Author that there are no implications.

5.4 **Corporate Priorities**

5.4.1 The budgets have been set with regard to corporate priorities and the need to provide value for money services.

5.5 **Crime and Disorder**

5.5.1 It is the opinion of the Report Author that there are no implications.

5.6 **Equality and Diversity / Human Rights**

5.6.1 It is the opinion of the Report Author that there are no implications.

5.7 **Financial**

5.7.1 The financial implications are set out in Appendix A.

5.8 **Health & Wellbeing**

5.8.1 It is the opinion of the Report Author that there are no implications.

5.9 **Risk Management**

5.9.1 The economic climate continues to have a major influence on the resources required to operate an effective revenues and benefits service, particularly if the economic declines and causes increases in caseload.

5.9.2 Authorities will see reductions in their direct budgets as Housing Benefit Administration Grant is reduced as a consequence of welfare reform and fraud activity transferring to the Single Fraud Investigation Service. It is likely that the Government's policies to continue to reduce expenditure on public services will have further impact on the Administration Grant in future years.

5.9.3 The Joint Committee will continue to be kept apprised through regular performance reports and any additional grant funding to support new burdens will be brought to the Joint Committee's attention.

5.10 **Safeguarding**

5.10.1 It is the opinion of the Report Author that there are no implications.

5.11 **Staffing**

5.11.1 It is the opinion of the Report Author that there are no implications.

5.12 **Stakeholders / Consultation / Timescales**

5.12.1 The budget runs from 1 April 2016 to 31 March 2017, with future years given as indicative figures only.

5.12.2 Partner authorities accountants and S151 Officers have been consulted with in preparing this budget.

5.13 **Other**

5.13.1 N/A

6.0 **WARDS/COMMUNITIES AFFECTED**

6.1 N/A

7.0 **ACRONYMS**

7.1 N/A

Background papers:- [See The Committee Report Guide](#)

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Key Decision: No

Exempt Decision: No

This report refers to a Mandatory Service

Appendices attached to this report:

Appendix A ARP Joint Committee Budget 2016-17